



## **ONESOURCE JOINT COMMITTEE AGENDA**

<b>10.00 am</b>	<b>Friday 20 April 2018</b>	<b>Newham Dockside</b>
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### **COUNCILLORS:**

#### **LONDON BOROUGH OF HAVERING**

Councillor Ron Ower  
Councillor Melvin Wallace  
Councillor Damian White

#### **LONDON BOROUGH OF NEWHAM**

Councillor Lester Hudson  
Councillor Forhad Hussain  
Councillor Tonii Wilson

#### **LONDON BOROUGH OF BEXLEY**

Councillor Donald Massey

**For information about the meeting please contact:  
Andrew Beesley, Head of Democratic Services  
[andrew.beesley@onesource.co.uk](mailto:andrew.beesley@onesource.co.uk)**

# NOTES ABOUT THE MEETING

## 1. HEALTH AND SAFETY

The Joint Committee is committed to protecting the health and safety of everyone who attends its meetings.

At the beginning of the meeting, there will be an announcement about what you should do if there is an emergency during its course. **For your own safety and that of others at the meeting, please comply with any instructions given to you about evacuation of the building, or any other safety related matters.**

## 2. MOBILE COMMUNICATIONS DEVICES

Although mobile phones, pagers and other such devices are an essential part of many people's lives, their use during a meeting can be disruptive and a nuisance. Everyone attending is asked therefore to ensure that any device is switched to silent operation or switched off completely.

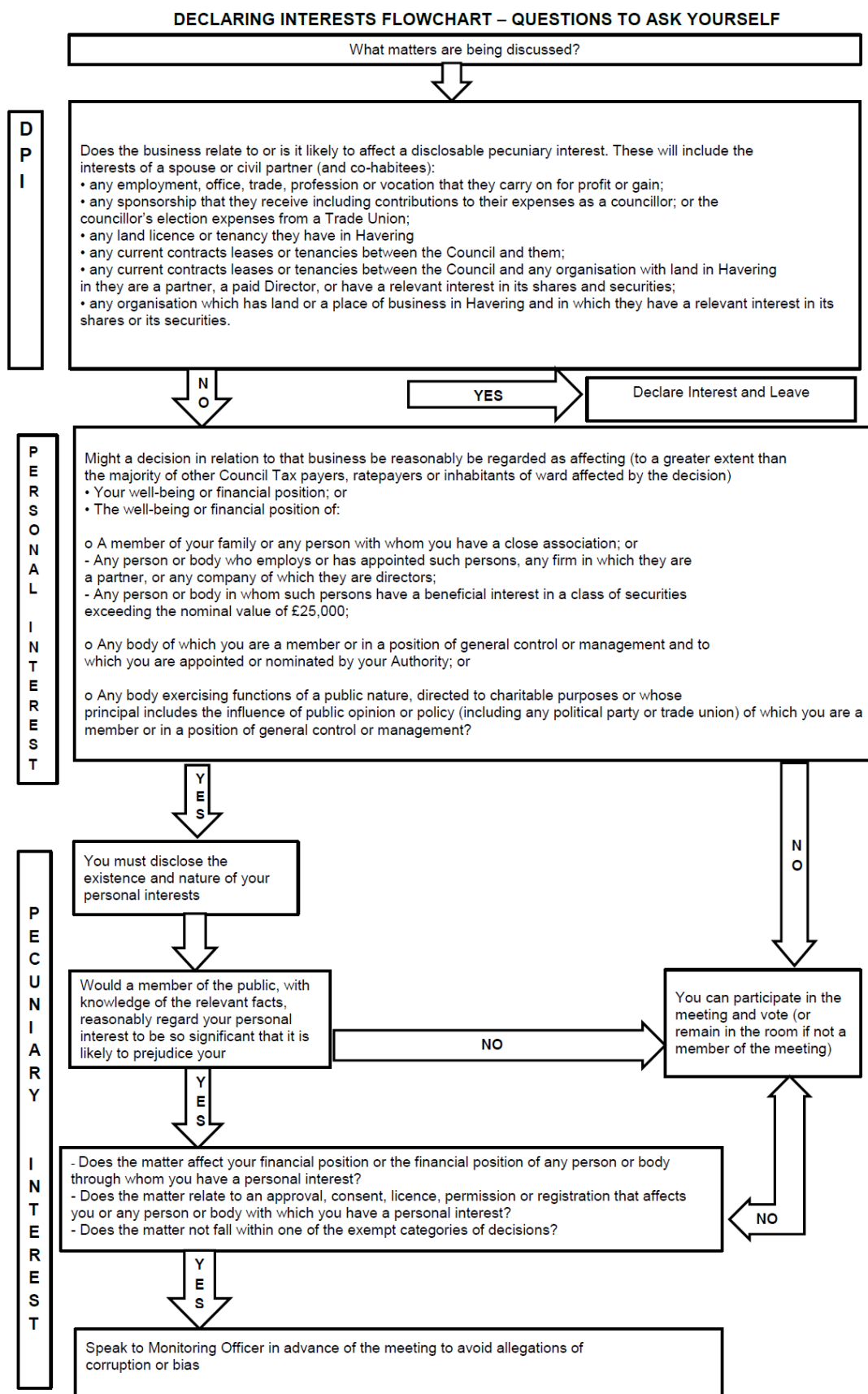
## 3. CONDUCT AT THE MEETING

Although members of the public are welcome to attend meetings of the Joint Committee, they have no right to speak at them. Seating for the public is, however, limited and the Joint Committee cannot guarantee that everyone who wants to be present in the meeting room can be accommodated. When it is known in advance that there is likely to be particular public interest in an item the Joint Committee will endeavour to provide an overspill room in which, by use of television links, members of the public will be able to see and hear most of the proceedings.

The Chairman of the meeting has discretion, however, to invite members of the public to ask questions or to respond to points raised by Members. Those who wish to do that may find it helpful to advise the Clerk before the meeting so that the Chairman is aware that someone wishes to ask a question.

**PLEASE REMEMBER THAT THE CHAIRMAN MAY REQUIRE ANYONE WHO ACTS IN A DISRUPTIVE MANNER TO LEAVE THE MEETING AND THAT THE MEETING MAY BE ADJOURNED IF NECESSARY WHILE THAT IS ARRANGED.**

If you need to leave the meeting before its end, please remember that others present have the right to listen to the proceedings without disruption. Please leave quietly and do not engage others in conversation until you have left the meeting room.



## **AGENDA ITEMS**

### **1 APOLOGIES FOR ABSENCE**

(if any) - receive

### **2 ANNOUNCEMENTS**

On behalf of the Chairman, there will be an announcement about the arrangements in case of fire or other events that might require the meeting room or building's evacuation.

### **3 DISCLOSURES OF INTEREST**

Members are invited to disclose any pecuniary interests in any of the items on the agenda at this point of the meeting. Members may still disclose a pecuniary interest in an item at any time prior to the consideration of the matter.

### **4 MINUTES** (Pages 1 - 6)

To approve as a correct record the minutes of the meetings of the committee held on 19 and 26 January 2018.

### **5 ONESOURCE BUDGET 2018/2019** (Pages 7 - 24)

### **6 ONESOURCE UPDATE FOR APRIL 2018** (Pages 25 - 50)

### **7 STRATEGIC PRIORITIES** (Pages 51 - 64)

**MINUTES OF A MEETING OF THE  
ONESOURCE JOINT COMMITTEE  
Havering Town Hall  
19 January 2018 (10.00 - 11.40 am)**

**Present:**

Councillors Ron Ower (Chair), Lester Hudson, Donald Massey, Melvin Wallace, Damian White and Toni Wilson.

Apologies for absence were received from Councillors Forhad Hussain.

The Chairman reminded Members of the action to be taken in an emergency.

All decisions were taken with no votes against.

**15 APOLOGIES FOR ABSENCE**

An apology for absence was received from Councillor Forhad Hussain.

**16 DISCLOSURES OF INTEREST**

There were no disclosures of interest.

**17 MINUTES**

The minutes of the meeting of the Joint Committee held on 10 November 2017 were agreed as a correct record and signed by the Chairman.

**18 ESTIMATED ONESOURCE FORECAST FINANCIAL POSITION AS AT DECEMBER 2017**

The oneSource shared forecast financial position shows a projected overspend of £0.142m as at December 2017, Period 9. This was an improvement on the Period 6 projected overspend of £0.796m. The £0.654m improvement between Period 6 and Period 9 was largely due to an improvement in the ICT and Exchequer Services forecasts.

£11.069m have been applied to shared budgets since oneSource's inception in 2014/15. Savings of £10.927m are forecast to have been achieved by the end of 2017/2018. The projected overspend split between the three boroughs is (£0.140m) to Havering, £0.155m to Bexley and £0.127m to Newham..

Early Period 9 indications regarding non-shared areas managed by oneSource but not part of the cost share are as follows; (£0.348m) underspend for Havering, £4.715m overspend for Newham and nil variance for Bexley.

The Joint Committee noted the current oneSource projected forecasted outturn position based on the financial monitoring as at the end of December 2017.

## **19 ONESOURCE RISK REGISTER**

The report provided Members of the Joint Committee with an opportunity to review the latest version of the oneSource corporate risk register.

It was reported that the oneSource Management Team reviews the corporate risk register on a periodic basis. As part of the review process the Management Team recently undertook a risk review workshop to refresh the corporate risk register.

The results from that review have been incorporated into the updated risk register.

The Joint Committee noted the contents of the risk register.

## **20 CUSTOMER SATISFACTION REPORT**

The report before Members provided details of performance with oKPI 1 Customer Satisfaction with oneSource services. The indicator was collected by an electronic survey campaign, which was undertaken biannually.

Members noted that the oneSource Business Services team monitors the relationship between oneSource and its customers and overall performance, ensuring oneSource meets the expectations of the programme and needs of its customers.

oneSource was set a challenging 80% target for customer satisfaction for the services to exceed. In October, satisfaction exceeded this target for the first time with 82% overall customer satisfaction. This rose from 75% in March 2017 and has seen continued upward trend since October 2016 where satisfaction was 72%. in October 2016.

Individually, customer satisfaction with the service received is 89% from Havering Council, 81% from Newham Council, 55% from Bexley Council and 78% from oneSource. Customer satisfaction has increased for Havering and Newham, with satisfaction in both councils exceeding the target. Satisfaction within oneSource dropped slightly to 78%. There was a significant decrease in satisfaction within Bexley, with overall satisfaction at 55%.

Satisfaction within Havering, Newham and oneSource were within a similar range, bordering near the target; however, within Bexley, satisfaction reduced due to lower than expected results. Therefore further investigation and actions are required to address this.

The Joint Committee noted oneSource's Customer Satisfaction key performance indicator (KPI).

**21      ONESOURCE UPDATE FOR JANUARY 2018**

The report provided an update on a number of key activities across oneSource.

With respect to the transition to trading, it had been decided to delay the activation of the dormant company, oneSource Partnership Ltd, which had been planned for early spring.

Having reviewed the extent of the tasks required to set up the company, it was not possible to make the January round of Cabinet meetings. Work was ongoing to develop the oneSource Partnership Ltd Business Plan, with further discussions planned with partner authorities regarding the future direction of oneSource.

In terms of the oneSource Integrated Programme Plan, work was underway to implement two new ICT systems that will allow oneSource to manage its finances in a more commercial way. There are four initial service review pilots and these are making good progress with completion scheduled for the end of January.

It was noted that the Transition to Trading programme plan would eventually be combined with the oneSource Transformation Plan into a oneSource Integrated Programme Plan for the period to April 2019.

oneSource continues to have success in being shortlisted for numerous awards, including a nomination for the Best Service Delivery Model award at the Local Government Chronical Awards in March 2018.

Work has begun to renegotiate contracts awarded work by the Newham small businesses as they move to company status, with a view to extending the length of the contracts from one year to three years. It was noted that was of particular relevance to the overall oneSource offer and the need to diversify into services that are more suited to small businesses.

Finally, it was anticipated that the new oneSource Interim Chief Executive would be appointed in the coming weeks.

The Joint Committee noted the report.

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**Chairman**



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## **MINUTES OF A MEETING OF THE ONESOURCE JOINT COMMITTEE Havering Town Hall 26 January 2018 (10.00 - 11.30 am)**

### **Present:**

Councillors Ron Ower (Chair) +Andrew Baikie, Lester Hudson, Donald Massey and Melvin Wallace.

+substitute member: Councillor Andrew Baikie (for Councillor Tonii Wilson).

Apologies for absence were received from Councillors Forhad Hussain, Damian White and Tonii Wilson.

There were no disclosures of interest.

The Chairman reminded Members of the action to be taken in an emergency.

### **23 EXCLUSION OF THE PUBLIC**

On a motion by the Chairman, the Sub-Committee RESOLVED:

That the public be excluded from the remainder of the meeting on the grounds that it was likely that, in view of the nature of the business to be transacted or the nature of the proceedings, if members of the public were present during these items there would be disclosure to them of exempt information within the meaning of paragraph 1 of schedule 12A of the Local Government Act 1972.

### **24 APPOINTMENT TO THE POST OF DIRECTOR OF ASSET MANAGEMENT**

The Joint Committee interviewed one applicant for the position, a second short-listed candidate having left the application process for personal reasons. It considered carefully the merits of the candidate and satisfied itself as to their competency by reference to their written profiles, oral presentations and the answers to questions concerning the role and by wider questioning.

The Joint Committee felt that the candidate had the experience and skillset relevant to the role. The Joint Committee therefore concluded that the candidate was suitable for the post and indicated a provisional intention to make an offer to that candidate.

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**Chairman**



## **JOINT COMMITTEE**

**20 April 2018**

**Subject Heading:**

**oneSource Budget 2018/2019**

**Report Author and contact details:**

**Paul Thorogood  
paul.thorogood@oneSource.co.uk  
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**Financial summary:**

**The oneSource base budget for 2018/2019 is £41.755m made up of £34.410m for oneSource Shared and £7.345m for oneSource non Shared.**

### **SUMMARY**

The report sets out the base budget for oneSource services for both shared and non-shared for the financial year 2018/2019 including the apportionment between the three partner Councils.

The base budget for oneSource shared is £34.410m and £7.345m for non-shared after taking into consideration non recurring funding from 2017/2018 and agreed growth and savings for 2018/2019.

### **RECOMMENDATIONS**

The Joint Committee is asked to note the based budget for oneSource services for 2018/2019.

### **REPORT DETAIL**

#### **Base Budget 2017/2018 – oneSource Shared**

At the time of writing this report, the closing budget for the 2017/2018 financial year for oneSource shared services is £37.828m. Taking into account non recurrent funding, growth and savings previously agreed for 2018/2019 this reduces the budget by £3.418m to

provide an opening budget of £34.410m for the 2018/2019 financial year. It should be noted within the removal of one off funding there is a reduction of £1.207m in relation to the admin grant that is allocated to the benefits team in Havering. It is expected that this will be reallocated during the course of 2018/19 by the Council on a non recurring basis.

The summarised position is set out in the table below:

***Table 1 - oneSource Shared Budget Opening Budget***

	Income £'m	Expenditure £'m	Net Income/ Expenditure £'m
Closing Budget 2017/2018	(9.515)	47.343	37.828
Removal of One Off Funding		(3.862)	(3.862)
Additional Growth		2.176	2.176
Inflation	(0.012)	0.190	0.178
Removal of Savings	(0.013)	(1.897)	(1.910)
Opening Budget 2018/2019	(9.540)	43.782	34.410

The net expenditure is funded by the three partner Councils based on set percentages agreed on a service by service basis. The £34.410m is budgeted to be funded overall as follows, however the actual percentage splits are individual to each service.

- 7.53% by the London Borough of Bexley
- 44.41% by the London Borough of Havering
- 48.32% by the London Borough of Newham.

The tables below summaries the movement in budget by Council.

***Table 2a - oneSource Shared Budget for Bexley Opening Budget***

	Income £'m	Expenditure £'m	Net Income/ Expenditure £'m
Closing Budget 2017/2018	(0.426)	2.906	2.480
Removal of Savings		0.000	0.000
Additional Growth		0.092	0.092
Removal of One Off Funding		(0.030)	(0.030)
Inflation		0.048	0.048
Opening Budget 2018/2019	(0.426)	2.954	2.590

***Table 2b - oneSource Shared Budget for Havering Opening Budget***

	Income £'m	Expenditure £'m	Net Income/ Expenditure £'m
Closing Budget 2017/2018	(1.299)	19.689	18.39
Removal of One Off Funding		(3.405)	(3.405)
Additional Growth		1.118	1.118
Inflation	(0.012)	0.142	0.13
Removal of Savings	(0.013)	(1.029)	(1.042)
Opening Budget 2018/2019	(1.324)	16.515	15.190

***Table 2c - oneSource Shared Budget for Newham Opening Budget***

	Income £'m	Expenditure £'m	Net Income/ Expenditure £'m
Closing Budget 2017/2018	(7.790)	24.748	16.958
Removal of One Off Funding		(0.427)	(0.427)
Additional Growth		0.966	0.966
Removal of Savings		(0.868)	(0.868)
Opening Budget 2017/2018	(7.790)	24.313	16.629

**One Off Funding – oneSource Shared**

As set out in Table 1, the 2017/2018 net budget for oneSource Shared included non recurrent funding of £3.862m, which has not been included in the base budget for 2018/19. The table below splits this funding down between authority with further explanation provided.

**Table 3 – oneSource Shared one off Funding for 2017/2018**

	Havering	Newham	Bexley	Total
Legal Services - Additional Post	0.143			0.143
Revenue and Benefits – Additional Capacity	0.452			0.452
Redundancies	0.294	0.061	0.030	0.385
Transformation and Projects	0.254	0.156		0.410
ICT	1.055	0.211		1.266
Benefit Admin Grant	1.207			1.207
<b>Total</b>	<b>3.405</b>	<b>0.428</b>	<b>0.030</b>	<b>3.862</b>

ICT – The one off funding received in 2017/18 is likely to be increased in Newham to £0.800m by year end, pending the financial outturn. The Havering contribution was provided through the historic oneSource reserve. The underlying pressures were not limited to 2017/18 and will continue into further years, a base budget adjustment has been made available from 2018/19; Havering £0.905m and £0.800m in Newham.

Redundancies – Have been met by the individual councils reserve funding, and as per the oneSource arrangement their will be a cost share carried out to split the redundancy costs as per the agreed cost share percentages.

Revenue and Benefits – Received a number of one off sources of funding to offset service pressures through demand increases on assessments, this will continue to be reviewed due to the uncertainty the universal credit changes will have on demand on services.

Legal Services – In 18-19 both Newham and Havering contributed to unfunded posts, Havering contributed on a temporary basis on the assumption Legal would be operating a trading model from 2018/19, as this is not the case a funding request will be required for Havering contribution.

### **Growth – oneSource Shared**

As set out in Table 1, the 2017/2018 net budget for oneSource Shared includes additional funding of £2.176m which is funded 51.38% by Havering, 44.39% by Newham and 4.23% Bexley. This funding is recurring and has been agreed by both Councils Senior Leadership Teams and is in respect of:

**Table 4 – oneSource Shared Growth for 2017/2018**

	<b>Expenditure</b>	<b>Funded by Bexley</b>	<b>Funded by Havering</b>	<b>Funded by Newham</b>
	<b>£'m</b>	<b>£'m</b>	<b>£'m</b>	<b>£'m</b>
ICT – Pressures	1.71		0.910	0.800
Finance – Counter Fraud	0.055		0.055	
Finance – 6 months review	0.368	0.092	0.110	0.166
NNDR - Additional Post	0.043		0.043	
<b>Total</b>	<b>2.176</b>	<b>0.092</b>	<b>1.118</b>	<b>0.966</b>

### **Savings – oneSource Shared**

As set out in Table 1, the 2018/2019 net budget for oneSource Shared includes additional savings of £1.910m. The £1.910m figure includes savings that were agreed during Havering's budget development process of £0.145m along with oneSource shared proportion of savings following Havering's Terms and Condition Review of £0.089m. Netting these two adjustments would leave the original oneSource shared saving target for 2018/19 of £1.676m, the apportionment of this saving is 48.21% Havering and 51.79% for Newham.

These savings are predominantly in respect of a reduction in employee related expenditure as set out in the original business cases for oneSource.

The original savings split by oneSource service are set out in the table below:

**Table 4 – oneSource shared increase in savings for 2017/2018**

	<b>Saving</b>	<b>Saving for Newham</b>	<b>Saving for Havering</b>
	<b>£'m</b>	<b>£'m</b>	<b>£'m</b>
Audit, Risk, Insurance & Fraud	0.074	0.046	0.028
Benefits – Havering	0.066	0.000	0.066
Business Services	0.219	0.078	0.141
Corporate/Strategic/Operational Finance	0.158	0.098	0.059
Council Tax – Havering	0.049	0.000	0.049
Debt Management/Recovery	0.031	0.018	0.013
Directors Support	0.007	0.005	0.003
Facilities management	0.044	0.027	0.017

Health & Safety	0.021	0.013	0.008
HR & OD	0.100	0.063	0.038
ICT / Business Systems	0.497	0.284	0.212
Legal	0.104	0.064	0.039
Management of Schools Capital (Havering)	0.011	0.000	0.011
NNDR	0.015	0.009	0.006
Post Room	0.035	0.022	0.013
Procurement (incl strategic)	0.046	0.028	0.018
Property	0.044	0.027	0.017
Technical Services (havering)	0.019	0.000	0.019
Transactional	0.138	0.086	0.052
<b>Total</b>	<b>1.676</b>	<b>0.868</b>	<b>0.808</b>

### **Breakdown by Service – oneSource Shared**

Appendix A to this report provides the split of the 2017/2018 oneSource shared budget by service.

### **Reserves**

In previous years where oneSource has underspent a reserve has been set up in the respective Council to hold this balance to fund future year financial pressures or to be utilised as an invest to save funding stream. OneSource shared is projecting an underspend, for the purposes of the report this is not being factored into any closing balance.

***Table 5 – oneSource Shared Reserve for 2017/2018***

	Balance £'m	Funded by Havering £'m	Funded by Newham £'m
Closing Balance 2016/2017	1.058	1.058	0.000
Estimated Used in 2016/2017	(1.055)	(1.055)	
Forecast Closing Balance 2017/2018	0.003	0.003	0.000

The estimated use in 2017/2018 takes into account the drawdown of funding to support the underlying pressures within ICT Services.



**Base Budget 2017/2018 – oneSource non Shared**

The closing budget for the 2016/2017 financial year for oneSource non shared services is £17.593 Taking into account non recurrent funding, growth and savings previously agreed for 2017/2018 this reduces the budget by £1.504m to provide an opening budget of £16.089m for the 2017/2018 financial year. The summarised position is set out in the table below:

***Table 1 - oneSource non Shared Budget Opening Budget (3 councils combined)***

	Income £'m	Expenditure £'m	Net Income/ Expenditure £'m
Closing Budget 2017/2018	(228.741)	237.415	8.674
Removal of One Off Funding	(0.018)	(1.299)	(1.317)
Additional Growth	0.000	0.248	0.248
Inflation	(0.133)	0.125	(0.008)
Removal of Savings	0.000	(0.252)	(0.252)
Opening Budget 2018/2019	(228.892)	236.237	7.345

The table above shows to total oneSource non-shared budgets combined. However, it should be noted that these budgets are not part of the cost-sharing arrangement. All three councils' budgets have been combined within the above table to provide information regarding the size of the non-shared budgets for which oneSource managers are responsible outside of/over and above the oneSource cost sharing arrangement resources.

The tables below summaries the movement in budget by Council;

***Table 2a - oneSource non Shared Budget for Bexley Opening Budget***

	Income £'m	Expenditure £'m	Net Income /Expenditure £'m
Closing Budget 2017/2018	(104.087)	109.145	5.058
Removal of One Off Funding			
Inflation		0.125	0.125
Removal of Savings			
Opening Budget 2018/2019	(104.087)	109.270	5.183

**Table 2b - oneSource non Shared Budget for Havering Opening Budget**

	Income £'m	Expenditure £'m	Net Income/ Expenditure £'m
Closing Budget 2017/2018	(85.882)	88.674	2.792
Removal of One Off Funding	(0.018)	(1.046)	(1.064)
Additional Growth		0.248	0.248
Inflation	(0.133)		(0.133)
Removal of Savings		(0.204)	(0.204)
Opening Budget 2018/2019	(86.033)	87.672	1.639

**Table 2c - oneSource non Shared Budget for Newham Opening Budget**

	Income £'m	Expenditure £'m	Net Income /Expenditure £'m
Closing Budget 2017/2018	(38.772)	39.596	0.824
Removal of One Off Funding		-0.253	(0.253)
Additional Growth			0.000
Removal of Savings		-0.048	(0.048)
Opening Budget 2018/2019	(38.772)	39.295	0.523

### **One Off Funding – oneSource non Shared**

The one off funding for each of the boroughs relates to transfers from reserves which have taken place throughout 2016/17 for a variety of reasons such as; funding for the Gartner Review, local election funding and the Emergency Assistance Scheme within Exchequer Services.

### **Growth – oneSource non Shared**

Growth has been agreed in all three councils for a number of reasons including pay inflation and contract inflation, although the Newham inflation figures have not been included in the report.

### **Savings – oneSource Non-Shared**

There remain savings for oneSource non-shared by Havering and Newham from the original business case, as a number of service areas have moved from shared to non-shared.

Havering

- Havering Terms and Condition Savings across non-shared, total for 2018-19 £0.245k
- ICT; Wireless and Mobile Infrastructure - £0.050m
- Asset Management; £30k

Newham

- Asset Management; £48k

**Other Considerations**

*Change of Accounting*

With effect from 2018/19 following on from the transition to trading work it was recommended for oneSource to consider business like financial management, therefore to amend how oneSource Shared is accounted for. The accounting change has been agreed by each Authorities Section 151 officers, from 2018/19; all budgets for oneSource shared will sit within one authority and will be funded by corresponding commissioning budgets that will be set up outside of the oneSource budgets. This will allow each authority to have a to align how the contract fee is managed.

**Breakdown by Service – oneSource Shared**

Appendix B, C and D provide the information cited above at service level.

<b>REASONS AND OPTIONS</b>
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The oneSource budget is developed from the three partner Councils revenue budgets which have already been agreed by full Council for each of the respective of the partners. The content of this report is for noting by the committee and is consolidating the oneSource budget from that held by the respective Councils.

**Reasons for the decision:**

Not applicable.

**Other options considered:**

Not applicable.

## IMPLICATIONS AND RISKS

### **Financial implications and risks:**

The financial position of oneSource for both shared and non shared has a direct bearing on the financial position of Bexley, Havering and Newham Councils; with any overspends being shared as set out in the Joint Committee agreement. Delivering of oneSource services within the set budget is therefore vital to each council meeting their Financial Strategy.

Robust financial management processes are in place across oneSource and the financial performance against the set budget will be monitored through the Joint Committee inline with current practice.

### **Legal implications and risks:**

There are no immediate legal implications arising from this report.

### **Human Resources implications and risks:**

There are no immediate HR implications arising from this report.

### **Equalities implications and risks:**

There are no equalities implications arising from this report.

## BACKGROUND PAPERS

None

## Appendix A - oneSource Shared Based Budget 2018/2019

	Closing Budget 2017/2018				Removal of One Off Funding				Additional Growth				Removal of Savings				Inflation				Opening Budget 2018/2019			
	Bexley £'m	Havering £'m	Newham £'m	Combined £'m	Bexley £'m	Havering £'m	Newham £'m	Total £'m	Bexley £'m	Havering £'m	Newham £'m	Total £'m	Bexley £'m	Havering £'m	Newham £'m	Total £'m	Bexley £'m	Havering £'m	Newham £'m	Total £'m	Bexley £'m	Havering £'m	Newham £'m	Total £'m
<b>Finance Services</b>	<b>1.813</b>	<b>3.548</b>	<b>4.318</b>	<b>9.680</b>	<b>(0.030)</b>	<b>(0.797)</b>	<b>(0.067)</b>	<b>(0.894)</b>	<b>0.092</b>	<b>0.165</b>	<b>0.166</b>	<b>0.423</b>	<b>0.000</b>	<b>(0.125)</b>	<b>(0.172)</b>	<b>(0.297)</b>	<b>0.036</b>	<b>0.030</b>	<b>0.000</b>	<b>0.066</b>	<b>1.911</b>	<b>2.821</b>	<b>4.245</b>	<b>8.978</b>
Audit, Risk, Insurance & Fraud	0.147	0.387	0.351	0.885		(0.117)		(0.117)	0.092	0.055		0.147		(0.033)	(0.046)	(0.079)	0.005	0.004		0.009	0.244	0.296	0.305	0.845
Corporate & Operational Finance	1.666	2.884	2.881	7.431	(0.030)	(0.671)	(0.067)	(0.768)		0.110	0.166	0.276		(0.071)	(0.098)	(0.169)	0.031	0.022		0.053	1.667	2.274	2.882	6.823
Procurement		0.277	1.087	1.364		(0.009)		(0.009)				0.000		(0.021)	(0.028)	(0.049)		0.004		0.004	0.000	0.251	1.059	1.310
<b>Business Services</b>	<b>0.000</b>	<b>0.832</b>	<b>0.441</b>	<b>1.273</b>	<b>0.000</b>	<b>0.310</b>	<b>(0.058)</b>	<b>0.252</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>(0.173)</b>	<b>(0.078)</b>	<b>(0.251)</b>	<b>0.000</b>	<b>0.004</b>	<b>0.004</b>	<b>0.004</b>	<b>0.000</b>	<b>0.973</b>	<b>0.305</b>	<b>1.278</b>
<b>Exchequer &amp; Transactional Services</b>	<b>0.667</b>	<b>5.105</b>	<b>2.398</b>	<b>8.170</b>	<b>0.000</b>	<b>(1.778)</b>	<b>(0.091)</b>	<b>(1.869)</b>	<b>0.000</b>	<b>0.043</b>	<b>0.000</b>	<b>0.043</b>	<b>0.000</b>	<b>(0.188)</b>	<b>(0.113)</b>	<b>(0.301)</b>	<b>0.012</b>	<b>0.026</b>	<b>0.000</b>	<b>0.038</b>	<b>0.679</b>	<b>3.208</b>	<b>2.194</b>	<b>6.081</b>
Council Tax and Benefits		2.539		2.539		(1.596)		(1.596)				0.000		(0.124)		(0.124)		0.012		0.012	0.000	0.831	0.000	0.831
Debt Management / Recovery		(0.132)	(0.065)	(0.197)		(0.001)		(0.001)				0.000		(0.013)	(0.018)	(0.031)		(0.004)		(0.004)	0.000	(0.150)	(0.083)	(0.233)
DETs Management		0.728	0.159	0.887				0.000				0.000				0.000		0.003		0.003	0.000	0.731	0.159	0.890
Finance - Rec/pay/income/client unit	0.667	0.856	0.938	2.461				0.000				0.000		(0.045)	(0.086)	(0.131)	0.012	0.014		0.026	0.679	0.825	0.852	2.356
HR - Trans HR/Hier		0.682	0.447	1.129		(0.028)	(0.069)	(0.097)				0.000				0.000				0.000	0.000	0.654	0.378	1.032
NNDR		0.215	0.344	0.558		(0.153)		(0.153)		0.043		0.043		(0.006)	(0.009)	(0.015)		0.001		0.001	0.000	0.100	0.335	0.434
Payroll		0.218	0.575	0.793			(0.022)	(0.022)				0.000				0.000				0.000	0.000	0.218	0.553	0.771
<b>Legal &amp; Governance</b>	<b>0.000</b>	<b>1.517</b>	<b>2.218</b>	<b>3.735</b>	<b>0.000</b>	<b>(0.241)</b>	<b>0.000</b>	<b>(0.241)</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>(0.043)</b>	<b>(0.064)</b>	<b>(0.107)</b>	<b>0.000</b>	<b>0.011</b>	<b>0.000</b>	<b>0.011</b>	<b>0.000</b>	<b>1.244</b>	<b>2.154</b>	<b>3.398</b>
Democratic & Electoral Services		0.389	0.324	0.713				0.000				0.000		(0.001)		(0.001)		0.003		0.003	0.000	0.391	0.324	0.715
Legal		1.128	1.894	3.022		(0.241)		(0.241)				0.000		(0.042)	(0.064)	(0.106)		0.008		0.008	0.000	0.853	1.830	2.683
<b>ICT Services</b>	<b>0.000</b>	<b>4.614</b>	<b>4.337</b>	<b>8.951</b>	<b>0.000</b>	<b>(0.868)</b>	<b>(0.211)</b>	<b>(1.079)</b>	<b>0.000</b>	<b>0.910</b>	<b>0.800</b>	<b>1.710</b>	<b>0.000</b>	<b>(0.240)</b>	<b>(0.284)</b>	<b>(0.524)</b>	<b>0.000</b>	<b>0.026</b>	<b>0.026</b>	<b>0.026</b>	<b>0.000</b>	<b>4.442</b>	<b>4.642</b>	<b>9.084</b>
<b>Asset Management Services</b>	<b>0.000</b>	<b>1.850</b>	<b>1.268</b>	<b>3.118</b>	<b>0.000</b>	<b>(0.023)</b>	<b>0.000</b>	<b>(0.023)</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>(0.231)</b>	<b>(0.094)</b>	<b>(0.325)</b>	<b>0.000</b>	<b>0.023</b>	<b>0.000</b>	<b>0.023</b>	<b>0.000</b>	<b>1.619</b>	<b>1.174</b>	<b>2.793</b>
Asset Management Support		0.518	(0.127)	0.391				0.000				0.000		(0.013)	(0.005)	(0.018)		0.006		0.006	0.000	0.511	(0.132)	0.379
Facilities Management		0.099	0.605	0.704		(0.023)		(0.023)				0.000		(0.186)	(0.027)	(0.213)		0.006		0.006	0.000	(0.104)	0.578	0.474
Health & Safety		0.270	0.311	0.581				0.000				0.000		(0.007)	(0.013)	(0.020)		0.005		0.005	0.000	0.268	0.298	0.566
Post Room (Corp Supp Svs)		0.585	0.509	1.094				0.000				0.000			(0.022)	(0.022)				0.000	0.000	0.585	0.487	1.072
Property		0.378	(0.031)	0.347				0.000				0.000		(0.025)	(0.027)	(0.052)		0.006		0.006	0.000	0.359	(0.058)	0.301
<b>Strategic &amp; Operational HR</b>	<b>0.000</b>	<b>0.923</b>	<b>1.978</b>	<b>2.901</b>	<b>0.000</b>	<b>(0.008)</b>	<b>0.000</b>	<b>(0.008)</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>(0.042)</b>	<b>(0.063)</b>	<b>(0.105)</b>	<b>0.000</b>	<b>0.010</b>	<b>0.010</b>	<b>0.010</b>	<b>0.000</b>	<b>0.883</b>	<b>1.915</b>	<b>2.798</b>
																					0.000	0.000	0.000	0.000
	<b>2.480</b>	<b>18.390</b>	<b>16.958</b>	<b>37.828</b>	<b>(0.030)</b>	<b>(3.405)</b>	<b>(0.427)</b>	<b>(3.862)</b>	<b>0.092</b>	<b>1.118</b>	<b>0.966</b>	<b>2.176</b>	<b>0.000</b>	<b>(1.042)</b>	<b>(0.868)</b>	<b>(1.910)</b>	<b>0.048</b>	<b>0.130</b>	<b>0.000</b>	<b>0.178</b>	<b>2.590</b>	<b>15.191</b>	<b>16.629</b>	<b>34.410</b>

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**Appendix B - oneSource Bexley Non Shared Based Budget 2018/2019**

	<b>Closing Budget 2017/2018</b>	<b>Removal of One Off Funding</b>	<b>Additional Growth</b>	<b>Removal of Savings</b>	<b>Inflation</b>	<b>Opening Budget 2018/2019</b>
	<b>£'m</b>	<b>£'m</b>	<b>£'m</b>	<b>£'m</b>	<b>£'m</b>	<b>£'m</b>
<b>Exchequer Services</b>	<b>2.956</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.119</b>	<b>3.075</b>
<b>Finance Services</b>	<b>2.102</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.006</b>	<b>2.108</b>
	<b>5.058</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.125</b>	<b>5.183</b>

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Appendix C- oneSource Havering Non Shared Based Budget 2018/2019

	Closing Budget 2017/2018	Removal of One Off Funding	Additional Growth	Removal of Savings	Inflation	Opening Budget 2018/2019
	£'m	£'m	£'m	£'m	£'m	£'m
Exchequer Services	(1.079)	(0.092)		0.002	(0.052)	(1.221)
Business Services	0.001	0.000			0.001	0.002
Asset Management	0.587	(0.344)	0.228	(0.149)	(0.093)	0.229
Strategic HR & OD	0.509	(0.063)		0.000	0.003	0.449
Legal & Democratic Svs	1.930	(0.375)		(0.007)	0.008	1.556
ICT Services	0.844	(0.190)	0.020	(0.050)		0.624
	2.792	(1.064)	0.248	(0.204)	(0.133)	1.639

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Appendix D - oneSource Newham Non Shared Based Budget 2018/2019

	Closing Budget 2017/2018	Removal of One Off Funding	Additional Growth	Removal of Savings	Opening Budget 2018/2019
	£'m	£'m	£'m	£'m	£'m
Finance	0.568	0.000	0.000	0.000	0.568
Human Resources	0.664	0.000	0.000	0.000	0.664
Legal & Democratic	0.000	0.000	0.000	0.000	0.000
Asset Management	-1.280	0.153	0.000	0.048	-1.481
LBN Transactional Services	-0.404	0.000	0.000	0.000	-0.404
ICT Services	1.275	0.100	0.000	0.000	1.175
Business Services	0.000	0.000	0.000	0.000	0.000
Total	0.824	0.253	0.000	0.048	0.523

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## **ONESOURCE JOINT COMMITTEE 20 April 2018**

**Subject heading:**

**oneSource update for April 2018**

**Report author and contact details:**

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**020 3373 2703**

**Financial summary:**

**This report provides an update of  
current activity across oneSource.**

### **SUMMARY**

The updates in this report include:-

- oneSource Integrated Plan
- Appointment of the oneSource Interim Chief Executive
- Commercial developments.

An update on the budget is detailed in a separate report on this agenda.

### **RECOMMENDATIONS**

The Joint Committee is asked to note the report.

## REPORT DETAIL

### Month 11 budget monitoring

The Month 11 revenue budget monitor is attached as Appendix A to this report. The closedown of 2017/18 financial year is currently underway and is currently broadly in line with the Month 11 position. In summary, oneSource Shared Budgets are projecting an underspend for the end of the year of £342k with the position for each council:-

- Havering is projected to be underspent by £438k mainly due to the over-achievement of savings
- Newham is projected to be overspent by £73k but this is mainly because Newham have not allocated £200k in relation to ICT budgets in line with the projected activity-based spend for the year. This will need to be reviewed at year end as it is inconsistent with Havering.
- Bexley is projected to be overspent by £23k in relation to enforcement activity which is less than was anticipated when oneSource was established.

Havering's Non-Shared budget is projected to be underspent by £338k mainly in Asset Management.

Newham's Non-Shared budget is projected to be overspent by £3.891m, mainly in relation to Asset Management, but this is a lower figure than has been anticipated all year due to mitigating action being taken. For 2018/19, budget corrections are being made which will eliminate most of this overspend. In addition, one off accounting errors will be written out in 2017/18 giving the service a firmer foundation for 2018/19.

The Bexley Non-Shared budget is projected to be on budget.

### oneSource Integrated Programme Plan

Previous meetings of the Joint Committee have received updates on the Transition to Trading programme. At the last meeting it was reported that more work was required in relation to the potential activation of the dormant company, oneSource Partnership Limited. Following the London local elections, a report will be brought to the Joint Committee to allow full consideration of oneSource's overall strategic direction of travel. The pilot reports on Passenger Transport and Health & Safety will also be presented.

In the meantime work is progressing in relation to the Integrated Programme Plan. The Plan itself has been completed since the last meeting of the Joint Committee and is presented in Appendix B to this report. The plan includes workstreams emerging from the Transition to Trading Programme plus those from the previous oneSource Transformation Plan. The Integrated Programme Plan has been shared with oneSource staff.

There is also a schedule of service reviews planned that has been shared with staff. This is attached at Appendix C to this report.

The governance related workstreams are currently on hold pending the sign off of the oneSource Three Year Strategy. However, the majority of the other workstreams contained in the Integrated Programme Plan are relevant whatever the eventual path oneSource takes and are therefore being progressed.

A temporary programme manager has been employed to ensure that the plan is being delivered and milestones are being met, funded from within oneSource budgets. An initial version of the plan has been uploaded into the ExecView system which will allow progress reports to be easily produced for the oneSource Management Team and the Joint Committee.

### **Update on senior appointments**

Sean Harriss has been appointed as the new oneSource Interim Chief Executive and will be giving a presentation of his initial thoughts to the Joint Committee elsewhere on the agenda.

Sarah Chaudhry is joining oneSource as Director of Asset Management from 16 April.

Sadly, Caroline Nugent will be leaving oneSource in mid-May to join the Financial Ombudsman as their Human Resources Director. A campaign to recruit Caroline's replacement will be kicked off imminently.

### **Commercial developments**

oneSource continues to be awarded work by the Newham small businesses as they move to company status and the contracts that were won last year have been retained. In one case, the contract has been re-awarded for three years. We also have oneSource members of staff fulfilling the role of Board Members on six companies following competitive recruitment.

Newham has asked oneSource to undertake a number of extra projects recently beyond the service level agreements. In particular, Finance and HROD have provided senior staff support along with dedicated resources to assist in delivering a specific Newham service's recovery and improvement plan.

Despite being shortlisted for the second year running for the Best Service Delivery Model award at the Local Government Chronical Awards in March 2018, we were unsuccessful, but very happy to have been nominated.

We were also shortlisted in the HR Distinction Awards for the "Supplier Led HR Innovation & Collaboration" award for the Day One Sickness project with Medigold, but sadly again were unsuccessful on the night.

On 21 February the judges at the PPMA announced the shortlist for the Excellence in People Management Awards. Being able to demonstrate HR's impact on our Partners' financial stability and how HR transformed and showcased innovation resulted in the service being shortlisted for two awards:

- 1) Commercialisation in HR; and
- 2) The role of HR in Innovation.

The winners will be announced on 19 April.

Regular award nominations are keeping our profile high in the sector.

### **Legal implications and risks:**

None

### **Financial Implications and risks:**

None

### **HR Implications and risks:**

None

## Background Papers

None



OneSource Shared Financial Position at Summary Level

		COMBINED REVISED BUDGET	COMBINED YTD ACTUALS	COMBINED YTD Encumbranc	PREV PERIOD COMBINED FORECAST	PREV PERIOD COMBINED FORECAST	FY PROJECTED COMBINED	FY COMBINED FORECAST VARIANCE	REASON FOR COMBINED FY FORECAST VARIANCE
A7000B	os Shared	35,682,876	24,769,401	4,757,829	35,650,761	84,365	35,341,128	(341,748)	The period 11 position has improved from an overspend of £84k in period 10 to an underspend in period 11 of £342k, a £426k reduction. The decrease from peiroad 10, is largely due to an increase in Baliff fee income being projected and a reduction of the baliff bad debt provision, as well as further efficiencies within Transactional Services. Within Legal Services has revised its income projection favourably following a review of income expected till year end from recharges to capital, along with a one off income following the City Airport Judicial Review. Existing pressures remain £200k in relation to ICT.
A7100C	oS Finance	9,582,031	10,516,654	1,054,589	9,485,751	(96,280)	9,489,751	(92,280)	The current position in period 11 £92k takes into consideration the increased resource wihtin Business Partnering, which has been agreed to be met. The underspend is as a result of additional funding being received and is due to be used in 18-19 for the planned implementation of the new Forecasting system.
A7200C	oS Business Svcs	1,224,870	858,655	7,401	819,617	(405,253)	819,617	(405,253)	Forecast underspend of £405k at period 11 (combined for LBH and LBN) is due to the overachievment of savings against the notional business case target in other areas/services and £90k reduction in agency forecast.
A7300C	oS Exch & Trans	7,395,798	5,613,368	275,507	7,426,075	146,757	7,215,565	(180,233)	P11 positive budget position as a result of increase in income from Enforcement Services, Reduction in BDP for enforcement and further savings and efficiencies throughout the service.
A7500C	oS Legal & Gov	3,541,430	(6,621,732)	94,043	3,555,837	14,407	3,516,203	(25,227)	The period 11 position has improved by £39k following, the inclusion of further income; City Airport Judicial Review (£38k), Further legal costs that can be transferred to capitla (£38k), pension fund recharge not previously included (£15k), this has in part been offset by the refund of recharge income received earlier in the year for the Newham Small Businesses.
A7600C	oS ICT Services	7,905,450	8,582,180	3,016,946	8,105,450	200,000	8,105,450	200,000	The period 11 forecast continues to show a pressure of £200k. The forecast is based on an assumption that Havering will fund all of its share of additional costs re security, data warehouse work and CRM from reserves and Newham will fund all apart from £200k of its share of additional costs from a combination of transformation and contingency.
A7700C	oS Asset Mgmnt	3,157,127	3,087,824	248,599	3,320,288	163,161	3,256,799	99,672	The forecast in period 11 has reduced by £63k to a total overspend of £100k, the reduction is as a result of reduction in salary forecst on review within property services. The overspent is as a result of unachieavble savings targets, being part offset by over recovery of printing recharges.
A7800C	oS Strat & Op HR	2,876,170	2,732,450	60,744	2,937,743	61,573	2,937,743	61,573	Reporting a 62k adverse variance at Period 11 - The pressure is as a result of funding in relation to sickness absence project, still be agreed and with year end, prudently showing the position excluding receiving £100k from the outstanding bid..

Authority	Currently Variances in CP	Variances afer Split
Havering	(589,901)	(437,501)
Newham	(559,523)	72,657
Bexley	807,676	23,097
Total	(341,748)	(341,747)



OneSource Newham Non-Shared Financial Position at Summary Level

		FY REVISED BUDGET	YTD ACTUALS	YTD Encumbran ces	Total act + enc	PREVIOUS YEAR ACTUALS	PREVIOUS PERIOD FORECAST	PREVIOUS PERIOD VARIANCE	FY FORECAST	FY FORECAST VARIANCE	REASON FOR FY FORECAST VARIANCE
G5000B	oneSource - Non	335,650	7,833,535	14,454,413	22,287,949	1,152,015	4,629,787	4,294,137	4,226,484	3,890,834	The Position for period 11 for oneSource non-shared has increased from £43m to £3.9m. The overspend within Asset Management is still the main pressure with an overspend of £4.7m, this has reduced from period 11 as a result of one off income being recorded in realtion to Insurance charges within Corporate projects. The overall position for non-shared has also been positively affected by the one-off impact of a transfer from the balance sheet for duplicate payments that credited Transactional Services.
G5010C	Finance	568,200	563,024	63,158	626,182	581,352	569,024	824	569,024	824	Forecast at P11 is a nil variance
G5020C	HR	664,400	603,544	398,193	1,001,737	736,194	726,463	62,063	726,463	62,063	awaiting transfer of OH fudning to cover all budget. expected variance is 0
G5030C	Legal & Dem		584,092	38,110	622,202	25,294					Forecast at P11 is a nil variance
G5040C	Asset Mgmt	(1,280,200)	6,468,180	12,698,858	19,167,038	2,315,742	3,909,921	5,190,121	3,407,678	4,687,878	The period 11 forecast overspend has reduced from period 10, as a result of one off income in relation to insurance costs within Asset Managmenet. Within corporate projects it is now being forecast a total of £167k of recharge of staff costs to capital. As well as an increase in commercial proptert income projections. Existing pressure continue to remian: ~Income shortfalls within commercial property ~Dockside lettings shortfall ~Business rates pressures ~unachievable savings targets ~ legal costs relating to Stratford Workshops
G5050C	LBN TranS	(403,800)	(405,139)	37,467	(367,672)	(3,663,674)	(1,362,621)	(958,821)	#####	(859,881)	The position at period 11 has had an adverse ove of £99k, in relation to a number of historic invoices being written off in relation to the social fund emergancy loans, The underspend is as a result of a one off balance sheet transfer for a number of duplicate payments that were miscoded and have since been reversed to revenue
G5060C	ICT Services	787,050	19,834	1,218,628	1,238,461	1,157,107	787,000	(50)	787,000	(50)	The projection at period 11 continue to show a nil variance.
G5200C	Business Svcs				0						Forecast at P11 is a nil variance

NOTES

The non-shared position has been included for information. The budgets and spend are not part of the cost sharing arrangement, however, they are managed by oneSource.  
The budget figures above include controllable budgets only.



OneSource Newham Non-Shared Financial Position at Summary Level

		FY REVISED BUDGET	YTD ACTUALS	YTD Encumbranc es	Total act + enc	Budget Remaining	PREVIOUS YEAR ACTUALS	PREVIOUS PERIOD FORECAST	PREVIOUS PERIOD VARIANCE	FY FORECAST	FY FORECAST VARIANCE	REASON FOR FY FORECAST VARIANCE
A8000B	oS Non-Shared	1,900,437	(1,462,146)	528,859	(933,287)	2,833,724	846,415	1,505,378	(383,059)	1,562,541	(337,896)	Overall directorate forecasted variance at P11 is £338k underspend. This is an adverse move of £45k, the reasons for the change are; The pension cost centre in transactional services are showing a £57k pressure in relation to project costs that are now being forecast, potential for these costs to be transferred to the pension fund. This has been part offset by an increase in commercial property income. The overall underspend includes the funding received and now recorded within Exchequer services in relation to SERCO contract, Asset Management funding which is being used to offset unfunded director post.
A5200C	Exchequer Svcs	(1,160,950)	(5,336,086)	168,729	(5,167,357)	4,006,407	(1,814,267)	(1,300,338)	(127,388)	(1,227,935)	(66,985)	The period 11 forecast has underspend has a reduced from £127k to £67k, as currently investigating who is funding the project costs within Pensions following the transition to LPP. The position is not forecasting a reduction in the bad debt provision for housing benefit overpayment, due to the overall complexitiy within housing benefit, their is a risk around the subsidy forecast, however a number of processes are in place to ensure the most robust possible forecast.
A5350C	Business Svcs	550			0	550	4,791	550		550		
A5800C	Asset Mgmt	407,173	981,748	98,533	1,080,281	(673,108)	13,709	100,899	(306,274)	90,231	(316,942)	The forecast postion in period 11 has improved by £10k to a £316k underspend. The change this month is as a result of an increase in commercial income, the overall position includes; £228k of corporate funding, to offset pressure from following CIPFA guidance around capital recharging. This is being offset by inability to acheive savings target in ful within Tech Services and Education Asset Management.
A5850C	Strat HR & OD	446,004	417,633	105,137	522,770	(76,766)	518,990	496,663	50,659	496,663	50,659	
A5900C	Legal & Dem	1,554,060	1,222,183	344	1,222,527	331,533	1,392,760	1,554,004	(56)	1,549,432	(4,628)	
A5950C	ICT Services	653,600	1,252,376	156,116	1,408,492	(754,892)	730,432	653,600		653,600		.

NOTES

The non-shared position has been included for information. The budgets and spend are not part of the cost sharing arrangement, however, they are managed by oneSource.  
The budget figures above include controllable budgets only.



## Service Reviews Overview

The oneSource 'Transition to Trading' outline business case highlighted the need to undertake a service by service review for all of oneSource. The report did not go into detail of the *level* of service that needed to be reviewed, which has now been determined by the oneSource Management Team.

For example, as part of the pilot service reviews, fleet management or fleet services were not included in the assessment of the Passenger Transport Service.

### So what does a service review entail?

A service review is essentially an options appraisal for the Target Operating Model of each of our services and provides an assessment of the capability and capacity to deliver the service in the future. The reviews seek to identify whether the TOM:

- meets the oneSource and Partner Councils' objectives
- demonstrates value for money
- is commercially viable, financially affordable and achievable

The review covers eight key areas:

Area	Considers
Service Strategy	<ul style="list-style-type: none"> <li>• drivers for providing the service</li> <li>• if the service is statutory or discretionary</li> <li>• the legal framework and restrictions to what we provide and provides an overview of the delivery model</li> </ul>
Processes	<ul style="list-style-type: none"> <li>• the key processes at a high level and the interactions with customers, providers and other services (oneSource and non oneSource)</li> <li>• how processes can be driven to be more efficient and improve the customer journey / experience</li> </ul>
Organisation	<ul style="list-style-type: none"> <li>• services' structure, capacity and workforce analysis</li> <li>• how other councils provide the service</li> </ul>
Performance	<ul style="list-style-type: none"> <li>• current performance standards</li> <li>• drivers to improve performance</li> <li>• risk of non delivery</li> </ul>
Customer	<ul style="list-style-type: none"> <li>• customer satisfaction and feedback measurement</li> <li>• methods to reduce demand for the service and shift further to a self service model</li> <li>• review customer access points</li> </ul>
Financial Performance	<ul style="list-style-type: none"> <li>• unit activity costs</li> <li>• financial position of the service</li> <li>• costs per customer</li> <li>• cost drivers</li> </ul>

	<ul style="list-style-type: none"> <li>split of fixed and variable costs</li> </ul>
External Benchmarking	<ul style="list-style-type: none"> <li>benchmarking against competitors on cost, performance and customer satisfaction</li> <li>best practice that we could adopt</li> </ul>
Market	<ul style="list-style-type: none"> <li>market size and growth analysis</li> <li>competitor analysis</li> <li>key opportunities</li> </ul>

## When will the service reviews be completed?

The reviews are scheduled to be completed in four phases; a copy of the schedule can be found [here](#).

Phase	Completion
1	March 2018
2	September 2018
3	December 2018
4	April 2019

## Who is responsible for completing the service reviews?

The reviews form part of the 'Finance Transformation' workstream of the oneSource Integrated Programme Plan which can be found [here](#), and their completion is the responsibility of the relevant oneSource Director.

To date we have taken two approaches for the service reviews:

- Passenger Transport Services, Health and Safety and Enforcement Services have been completed and lead by [Red Quadrant](#) in partnership with the relevant oneSource Directors, service managers, other members of service and Finance.
- The Payroll Service review has been completed and lead by an internal group of staff from across oneSource with the team reporting to the relevant oneSource Director, with support from RedQuadrant.

The final approach is yet to be determined but will be confirmed in March 2018 once the pilots have been concluded and the best approach identified.

## Is external support available for service reviews?

We recognise that in some cases we shall require external support to complete the service reviews given the specialist nature of some our services; therefore funding is being requested from the three Partner Councils. Though this will provide a contingency for external support, the reviews will be owned and managed by the relevant oneSource



Director. In addition to Red Quadrant, we are being supported by [Kennedy Cater](#) to support a review of what Legal Services needs to put in place to operate on a trading basis.

## Who reviews the service reviews?

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Once services are reviewed, they will go through the following governance steps:

1	An internal review and peer challenge from the oneSource Management Team
2	Review, consideration and principle agreement by the oneSource Shadow Commissioning Board
3	Agreement by the oneSource Joint Committee
4	If the review is proposed to impact on oneSource Partnership Ltd., agreement by the oneSource Partnership Ltd. Board.

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## Customer Service, Performance & Commissioning

Leads: Daniel Fenwick, Caroline Nugent

Workstream	Activity	Senior Responsible Owner	Resource(s)	Start date	Target completion date
1. Customer Service Culture	Collate existing customer strategies	CN	BDT	Nov-17	31-Jan
	Collate benchmark information and best practice in shared service providers / private / public	CN	BDT	Dec-17	31-Jan
	review against TTT objectives and gap analysis	CN	BDT	Dec-17	31-Jan
	Agree a draft customer value proposition	CE	JW & councils	01-Feb	28-Feb
	Agree a draft customer retention strategy	CE	JW & councils	31-Jan	28-Feb
	Consult with customers and staff on draft strategy	CN	BDT / ONCE	01-Mar	31-Mar
	Agree final strategies, comms plan and monitoring arrangements	CE	BDT	01-Apr	30-Apr
	Implement Strategies and Comms Plan	CN	BDT / OMT / CEX	01-May	31-Jul
	Monitoring and review	CN	BDT	01-Sep	31-Dec
2. Communications and Engagement Plan (Internal)	collate existing plans and review against TTT objectives	CN	BDT	Nov-17	31-Jan
	bench mark with other externalised body / private sector / shared service providers	CN	BDT	Dec-17	31-Jan
	draft revised plan	CN	BDT	01-Feb	28-Feb
	work with ONCE to devise staff owned comms plan	CN	Sue Wilkes / ONCE / BDT	Mar-18	Apr-18
	consultation with OMT and stakeholders	CE	OMT / Council Comms Teams	Apr-18	30-Apr
	approval and action plan	CN	OMT/ BDT/ Council comms	01-May	30-Jun
	implementation	CE	BDT / OMT / Comms	01-Jul	TBC
3. Commissioning arrangements (including review of commissioning arrangements in Councils)	collate existing plans and review against TTT objectives	DF	BDT	Nov-17	31-Jan
	benchmark with other shared services / public and private best practice	DF	BDT	Dec-17	31-Jan
	gap analysis and recommendations	DF	BDT	Dec-17	31-Jan
	Outline of Commissioning Principles for agreement by OMT	DF	BDP / OMT	01-Feb	28-Feb
	draft and agree template commissioning arrangements and document suite including (a) principles (b) process and resources (c) terms /agreement (d) standards (e) variation process (f) finances (g) Review (h) governance (i) roles and responsibilities (j) other	DF	BDT / OMT	28-Feb	30-Apr
	Draft and agree consultation / engagement plan for (a) clients (b) staff (c) external peer review?	DF	DF / OMT	01-Apr	30-Apr
	sense check against financial workstream / activity based costings	DF	Paul T / OMT	01-Mar	31-Mar
	sense check against performance management workstream	DF	OMT / CE	01-Mar	31-Mar
	Agree Pilot commissioning arrangements	CE	service / BDT / clients	01-Mar	14-Mar
	Agree transition plan for other services	CE	service / BDT / clients	01-Apr	30-Apr
	Implement consultation and engagement strategy	CE	OMT / BDT / managers	01-May	31-Jul

	Councils Agreement	CE		01-Apr	31-May
	Training / Awareness of Business Partners and those with active roles	DF	OMT	01-Apr	31-May
	Monitoring & Review (see PERFORMANCE MANAGEMENT)	CE		01-Apr	ONGOING
4. Performance Management Framework (Outward facing)	collate existing Pis and review against TTT objectives and commissioning outcomes	DF	BDT	Nov-17	31-Jan
	benchmark with other shared service provider / private sector	DF	BDT / services	Dec-17	31-Jan
	Agree principles for the PMF	DF		01-Feb	28-Feb
	market research with clients - what do they want, when and why?	DF	OMT / BDT	Dec-17	28-Feb
	PI sense check - what performance information is meaningful	DF	OMT / BDT	01-Feb	28-Feb
	gap analysis and cross reference to commissioning workstream and finance for sense check	DF	OMT / BDT / services	01-Mar	31-Mar
	Review of resources for PM and IT to support	DF	BDT/ICT	01-Jan	31-Mar
	draft and agree template PM arrangements and document suite including (a) principles (b) process and resources (c) terms /agreement (d) standards (e) variation process (f) finances (g) Review (h) governance (i) roles and responsibilities (j) other	DF	BDT / OMT	31-Mar	31-May
	Draft and agree consultation / engagement plan for (a) clients (b) staff (c) external peer review?	DF	BDP / OMT	01-Apr	30-Apr
	consultation with clients	DF	SH	01-May	31-Jul
	consultation with OMT and services	DF	SH	01-May	31-Jul
	Implement	DF	BDT	01-Sep	TBC

## Culture, Leadership, Governance & Freedoms

Leads: Jane, Sandy & Mark

Desired outcome	Workstream	Activity	Senior Responsible Owner	Resource(s)	Start date	Target completion date
<ul style="list-style-type: none"> <li>• Good sound governance from the start</li> <li>• Governance supports positive and constructive partnership working across all four organisations</li> <li>• Trading Company activated efficiently and effectively to allow the company to have good sound governance</li> </ul>	1. Implementation of new governance structure	Redesign and implementation of more strategic terms of joint committee and make changes to the three councils schemes of delegation	CE	CE and Legal	Feb-18	Jul-18
		Formation and development of terms and conditions of intelligent client group	CE	CE and Legal	Feb-18	Jul-18
		Agree Shareholding	CE	JW and Council CEs	Nov-17	Dec-17
		Agree shareholder representatives	CE	JW and council CEs	Jun-18	Jul-18
		Draft business case	CE	JW and council CEs	Nov-17	Dec-17
		Clear business case through Shadow Commissioning Board, Steering Groups and Cabinets	CE		Jan-18	Jun-18
		Draft 2019/20 SLA between oneSource Partnership and councils (for all services)	CE	CE and council CEs	Mar-18	Aug-18
		Consider make up and appointment of shadow board of directors	CE	CE and council CEs	Jan-18	Jun-18
		Incorporate from Commissioning workstream	CE	CE and Shadow Commissioning Board	Dec-17	Jun-18
		Activate dormant company - activities listed below and also in detail on a separate plan	CE	CE, Legal and Finance	Jun-18	Sep-18
		Agree Board of Directors (not Shadow), will include recruitment of Non-Execs	CE	CE and HR	Jun-18	Sep-18
		Draft Shareholders Agreement	CE	CE and Legal	Mar-18	May-18
		Sign off Shareholder Agreement	CE	CE and Legal	Jun-18	Jul-18
		Paper required on pensions arrangements as part of sign off	CE	PT, SB and Pensions Teams	Jan-18	Feb-18
		Draft pensions admission agreement	CE	PT, SB and Pensions Teams	Mar-18	Jun-18
		Open Bank Account	CE	CE and Finance	Aug-18	Aug-18
		Review oneSource Scheme of Delegation	CE	CE and Legal	Feb-18	Jul-18
		Draft oneSource Partnership Ltd Scheme of Delegation	CE	CE and Legal	Feb-18	Jul-18
		Identify impacts for Council Constitution/SoD/SO/CSOs	CE	CE and Legal	Feb-18	Jul-18
		Agree "roll-out" and rah rah for after the election?	CE	SH and BDT	Jun-18	Jul-18
		Revisit "pre-nup"	CE	SH	Feb-18	Jul-18
<ul style="list-style-type: none"> <li>• Desired "oneSource" identity achieved</li> <li>• oneSource staff are empowered to deliver maximum productivity</li> <li>• oneSource staff are happy and committed</li> </ul>	2. Culture change (including People strategy and workforce development)	oneSource Trading Vision Agreed	SH	SH, OMT, Commercial Champs and ONCE	Feb-18	Mar-18
		oneSource Values revisited	SH	MB, OMT, managers' engagement group and ONCE	Mar-18	Jun-18
		oneSource Managers Engagement Group established	SH	MB and HR	Feb-18	Mar-18
		oneSource desired culture articulated	SH	SH, OMT and ONCE	Feb-18	Aug-18
		Develop cultural transition plan	SH	SH and ONCE	Sep-18	Dec-18
		oneSource People and WDS agreed	SH	SH and ONCE	Jun-18	Dec-18
		WDS road-map agreed	SH	SH and ONCE	Jun-18	Dec-18
		Implement a oneSource set of staff behaviours	SH	SH and ONCE	Dec-18	Mar-19
		oneSource PDR and Competencies Agreed	SH	SH and ONCE	Oct-18	Dec-18
		Design of oneSource Commercial Awareness Standards	SH	SH, Stewart Aldersley and ONCE	Jan-18	Feb-18

		Implementation of oneSource Commercial Awareness Standards and Development Programme implemented using non-conventional interventions eg partnering, peer review, shadowing and mentoring. Prioritise pilot areas from March 18	SH	SH, Stewart Aldersley and ONCE	Mar-18	Jun-18
		Manage comms emerging from this stream and passing them through to the Customer stream	SH	SH and BDT	Ongoing	Ongoing
• All managers to be effective commercial leaders	3. Leadership Development	Procure and develop a cultural leadership programme that informs the development change programme for all staff.	SH	SH, OMT and HR	Feb-18	Jun-18
		Run the Cultural Leadership Development Programme for top two tiers	SH	SH and HR	Apr-18	Mar-19
		Evaluate the Cultural Leadership Development Programme	SH	SH and HR	Oct-18	Dec-18
		Design and run a second phase Development Programme for all staff and managers	SH	SH and HR	Jan-19	Mar-19
		Run the Development Programme for remaining staff	SH	SH and HR	Apr-19	Mar-20
		Individual Coaching plans developed for top two tiers	SH	SH and HR	Apr-18	Mar-19
		External Commercial Mentors secured	SH	SH and HR	Apr-18	Mar-19
		Establish the Pilot Leads as an Action Learning Set	SH	MB and Sue Wilks	Jan-18	Feb-18
• Future Target Operating Model developed	4. Leadership structure	Develop Leadership structure with councils to take into account the introduction of new entities such as the Shareholder Board, the Intelligent Client and the oneSource Board of Directors.	CE	CE and HR	Jan-18	Oct-18
• Current barriers to trading removed	5. Negotiation on commercial agility	Identify priority areas of "dispensation" to allow entrepreneurial activity - likely to include internal procurement rules, PDR processes (see above), freedom to communicate, other clearances etc	MB	MB and Pilot Leads	Feb-18	Mar-18
		Develop business case for dispensations including opportunities and risks	MB	MB, OMT and Pilot Leads	Feb-18	Jun-18
		Dialogue with parent boroughs and internally within oneSource to agree limit of dispensations and implementation impact	MB	MB and OMT	Feb-18	Sep-18

# Finance & Transformation

Leads: Paul, Sarah & Priya

Workstream	Activity	Senior Responsible Owner	Resource(s)	Start date	Target completion date
1. Commercial Financial Model	Robust commercial financial model	PT	Business Partners / Service Managers	Now	31/03/19
	Integrated information to show profitability	PT	Business Partners / Service Managers	Now	31/03/19
	Standardised chart of accounts	PT	Business Partners / Financial Reporting / Accountants	Now	31/12/17
	Relevant and up to date guidance with Managers on accounting, coding etc	PT	Business Partners / Financial Reporting / Accountants	Now	31/01/18
	Modern commercial financial system to support business decisions	PT	Business Partners / Service Managers / Financial Systems ICT Resource (oneSource and Bexley)	Now	31/03/18
	Internal support service model/internal trading	PT	Business Partners / Financial Reporting / Accountants	Now	31/01/18
2. Service Reviews	Programme and timetable of "Transition to trade" business plan	PT / SB	PT / SB agreed with OMT by 24/12/17	Now	08/12/17
	Whole organisational target operating model	CE / MD		Now	Ongoing
	Responsive virtual commercial team for small businesses, external business and partnerships	Commercial Champions	Lead - Director / HoS / Team		Needs scoping further
	Digital direction and business road map to inform the oneSource ICT Transformation Strategy	PJ	Havering and Newham Senior Managers / ICT Service managers / OMT / External Resources	02/01/18	Aug-18
	New products identified	Service Managers			Ongoing
	Sales and marketing toolbox	SH	Commercial Champions / BDT / Service Managers / Customers	Now	28/02/18

	Service review templates/guidance/roles and responsibilities	PT		Now	15/12/17
	Governance on direction of service review outcomes	PT		Now	15/12/17
3. Transition to new Delivery Model	New service structure and business model	CE / MD			TBC - Dependency on Service Reviews
	Standardised approach to transfer service to new business model	SB	RQ - to deliver poc / SB/PT to establish approach with Legal, HR and Finance input / OMT to agree		TBC - Dependency on Service Reviews
	Develop and maintain Stakeholder management plan (communications and engagement)	SB	SB - draft / BDT / ONCE / OMT & Tus / Staff / Stakeholders		TBC - Dependency on Service Reviews
	Establish revised contractual arrangements to support the business for staff	SB	Legal / HR / Procurement / PMO (managing each review and timescale)		TBC - Dependency on Service Reviews
	SLA impact review	SB	BDT / OMT / Senior Managers / Dipak Sethi		TBC - Dependency on Service Reviews
	Programme manager required.	SB	Dan Pluck		31-Mar-19
	Project manager for Transition to Trading	SB	Dan Pluck		TBC
4. ICT transformation strategy	ICT Strategy for Newham and Havering	PJ	ICT		
	ICT Strategy for oneSource	PJ	ICT		
	ICT Infrastructure Roadmap	PJ	ICT		
	Business systems review	PJ	ICT and Business (Havering, Newham and oneSource)		
	ICT Service Transformation - Functional Review	PJ	ICT and Business	01/12/17	31/03/18
	ICT Service Transformation - Business case for change	PJ	ICT	01/03/18	31/05/18
	ICT Service Transformation - Restructure of the service	PJ	ICT, HR and Finance	01/06/18	31/07/18



	oneSource Digital Change and Transformation projects	PJ	ICT, oneSource and Finance	01/09/17	
5. Sales and marketing workstream (including sales toolkit, bidding strategy)	"Dragons Den" Model	SB / PJ / PT	Management Team (x 4)		
	Publicity material	SH	BDT		31/03/18
	Case studies	SH	BDT		31/03/18
	Standard service offering/bid paperwork	SB / PJ / PT			31/03/18
	Legal and HR standards	CN / DF			15/01/18
	Standard contract T&Cs/onboarding arrangements	DF			15/01/18
	Customer quotes and references	SH			31/03/18
	Key activity, costings and performance information	SH			15/01/18
	Catalogue of customers and potential leads	SH	Dipak Sethi		15/01/18
	Shared Service vs Service Model	SB / PJ / PT			
	Development of Red, Amber and Green hat model for proposals	PT	PT / OMT agreement / Business Managers / Finance		15/12/17
	Implement new oneSource website	PT	SH / BDT / Comm Champions	Jul-18	Sep-18

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oneSource transformation workstreams February 2018			Outcomes					
REF	Workstream	Description	Savings / Income Maximisation	Customer experience	Improved Self service	Internal operations optimisation	SRO	Project Manager / Lead
1	Case management system	HR system				x	CN	TB
2	Work allocation / porta (service manager)	Automatic redirection of work request to teams				x	DF	MD
3	Legal Trading account	Establish cost base of service, Recharging model		x		x	DF	DF
4	Strategic Legal Commissioning	Establish the model				x	DF	DF
5	Discovery (processes)	Identify processes/ inform work programme					SB	KS
7	Induction process end to end	HR process		x	x	x	JD	SA
8	Intelligent Systems/Robotics RPA	Pilot RPA	x			x	JW	BT
9	Agile Pilot End to end starters-leavers	Agile 1st iteration minimum viable product		x	x	x	JW	CL
10	ICT transformation	Target operating model		x	x	x	PJ	PJ
13	Time recording system	To record time for chargeable work and mgmt info	x			x	PT	TBC
17	Recruitment process end to end	HR process owner		x	x	x	SB / CN	KS
18	Ctax & bens and exchequer LBH / cust serv	Target operating model	x	x	x	x	SB	TBC

19	E resourcing portal	Review E-Resourcing Portal (Current urgent)		x	x	x	SB	KS
20	ONE 1 Wireless (LBH)	Sale of ducting, wireless and masts	x				PJ	
21	ONE 2 Digital post room (oneSource/ LBH)	Transformation of post, scan and print functions	x			x	IS	TBC
23	ONE 5 Spans and Layers (LBH)	Review compliance with Organisational Policy	x				CN	JS
24	ONE 7 Business Support (LBH)	Review of all business support across the services	x				CN	JS
25	ONE 8 Agency Staff (LBH)	Review of all agency workers	x				CN	HM
26	Movers	Next iteration following Starters and leavers		x	x	x	TBC	TBC



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## **ONESOURCE JOINT COMMITTEE 20 April 2018**

**Subject heading:**

**Strategic Priorities**

**Report author and contact details:**

**Sean Harriss**  
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**020 3373 2703**

**Financial summary:**

**N/A**

<b>SUMMARY</b>
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This is a covering report for the 'Strategic Priorities' presentation delivered to the Joint Committee by the new oneSource Interim Chief Executive.

<b>RECOMMENDATIONS</b>
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The Joint Committee is asked to note the presentation.

<b>REPORT DETAIL</b>
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The presentation to be delivered by the Interim Chief Executive sets out the strategic priorities for oneSource.

**Legal implications and risks:**

None

**Financial Implications and risks:**

None

**HR Implications and risks:**

None

**Background Papers**

None



# Strategic Priorities

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Sean Harriss  
Interim CEO oneSource

## Today's Agenda and Focus

- Initial view of priorities and key issues from Interim CEO
- To promote discussion and debate with the Joint Committee
- To use to shape agenda and thinking prior to OMT strategic away day 26th April
- Priorities to be developed further in discussions with three Councils post May

## Overview of key priorities and issues

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- Development of strong relationships with the three “new” political administrations post May 2018 Elections
- Agreement from three Councils to the strategic direction and organisational form for oneSource over medium term
- Prioritise the Integrated Programme Plan and TTT to ensure best fit to future strategy
- Deliver key improvements to quality and performance across oneSource improving customer satisfaction
- Identify “new business opportunities” from existing and potential clients
- Staff engagement, communications and improving morale

## Strong relationships with the Councils

- Very important for oneSource to develop trust and confidence with all three Councils for long-term development

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There will be three “new” political administrations to establish a relationship with post May

Important task to ensure that the political priorities and policy positions of the three Councils are understood and oneSource responds to this positively

- Establishing a clear understanding between the relationship with our political and managerial Commissioners and political oversight via the Joint Committee

## Clear direction from the Councils

- Gain agreement from our three Councils about the future strategy and direction of oneSource
- Achieving clarity is key for OMT priorities and for leading staff and managers through the next stage of development
- CE/OMT role is to be clear about our best advice and recommendations to the three Councils based upon our understanding of their priorities
- This advice needs to be based upon ongoing engagement and dialogue with political and managerial leaderships in three Councils
- The objective is to clarify this by July to enable implementation

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## Prioritise Integrated Programme Plan/TTT

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- Identify what the most important priorities are and ensure we have the resources and skills to deliver at pace
- Improve the quality and performance of our services to customers
- Identify what “transformation looks like” for each service and prioritise
- Clarify our true cost base and use this to drive strategy
- Create a “one organisation” culture with our staff
- Align our staff to the vision of our councils and create the “golden thread” from oneSource
- Deliver what we say we are going to do!

## Improving Quality and Performance

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- This is closely linked to the Integrated Programme Plan but also a key part of business as usual
  - The perception and reality of our service performance is a key driver of how supportive the three Councils are of our role
- Given there are options for deepening the relationship with our existing Councils this should be a priority
- For each service area service improvement plans, performance indicators and quality assurance measures will be a focus
  - Important link to understanding our “real costs” and VFM
  - This is an important part of the cultural change agenda for oneSource

## New business opportunities

- Always easier to keep and expand from existing business base than to win new business.....

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Therefore the priority over the next 12 months should be (generally) to deepen rather than widen our customer base

There will be exceptions to this and OMT's role is to pick the winners and deliver with quality e.g. ....??

- Clear priority to ensure that all three Councils retain services in oneSource and where appropriate expand the services delivered
- Possible discussions with other neighbouring boroughs e.g. Redbridge and Tower Hamlets?
- Have to be able to do what we say, on time and on a realistic cost base



## Staff engagement, communications & morale

- Leadership to deliver quality and productivity is the “X Factor” in public service
- Therefore our aim should be to have a well motivated, skilled and enthusiastic workforce at all levels
- This requires a clear vision, people knowing how they fit in and being managed and developed to deliver their potential
- This is a challenge in context of austerity, more change and uncertainty
- Communication, engagement and a focus on culture, behaviour and values are crucial
- Development of “the deal” between staff and the organisation key
- CEO and OMT need to prioritise this over next 6 months

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## Recruitment of new CEO etc.....

- Overall my role is to agree and implement a clear way forward for oneSource in the context of TTT and local elections
- By July(?) to gain agreement from the Councils and implement the strategy following this
- This will establish the nature of the CEO function and allow a permanent appointment on that basis
- Ensuring a smooth transition to the new CEO once recruited

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## Conclusions

- OneSource is at a pivotal point in its evolution and development
- There is a requirement to improve and develop the quality and performance of oneSource in all scenarios

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Given the elections and the “new” administrations there is a need to gain clarity about the future direction for oneSource

OMT’s role working with the Councils is to provide the best advice and recommendations on the future direction of oneSource

- This needs to be aligned with the Integrated Programme Plan which needs to be prioritised in the short-term
- Leadership of our managers and staff will be crucial to our success

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