



ONESOURCE JOINT COMMITTEE AGENDA

10.00 am	Friday 3 August 2018	Committee Room 3B - Havering Town Hall
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COUNCILLORS:

LONDON BOROUGH OF HAVERING

Councillor Robert Benham
Councillor Jason Frost
Councillor Roger Ramsey

LONDON BOROUGH OF NEWHAM

Councillor Rokhsana Fiaz
Councillor John Gray
Councillor Terence Paul

LONDON BOROUGH OF BEXLEY

Councillor David Leaf

**For information about the meeting please contact:
Andrew Beesley, Head of Democratic Services
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.

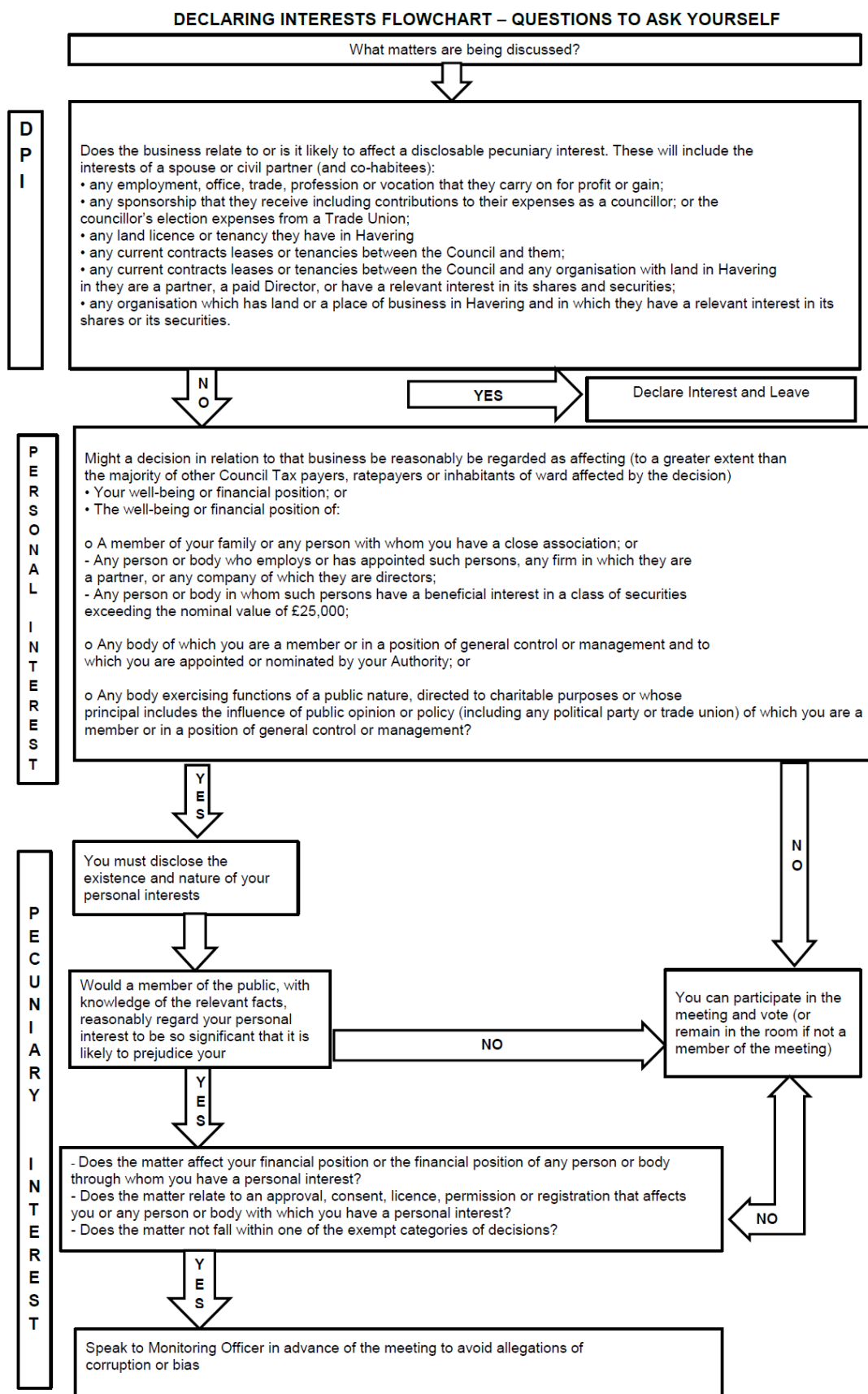
3. CONDUCT AT THE MEETING

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 ELECTION OF CHAIR AND VICE CHAIR

Nominations are invited for the election of the Chair and Vice Chair of the Committee for the 2018/19 municipal year.

Note: As per the oneSource legal agreement, the Chair for the 2018/19 municipal year will be from Newham and the Vice Chair from Havering.

2 APOLOGIES FOR ABSENCE

(if any) - receive

3 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

4 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.

5 MINUTES (Pages 1 - 4)

To approve as a correct record the minutes of the meeting of the Joint Committee held on 20 April 2018, and to authorise the Chairman to sign them.

6 ONESOURCE 2017/18 OUTTURN POSITION (Pages 5 - 10)

7 ONESOURCE ANNUAL REPORT 2017/18 (Pages 11 - 28)

8 ICT SERVICE BUDGET UPDATE (Pages 29 - 46)

9 INTERIM ONESOURCE CEO OVERVIEW AND UPDATE REPORT (Pages 47 - 70)

**MINUTES OF A
ONESOURCE JOINT
COMMITTEE MEETING
Stratford Town Hall
Friday, 20 April 2018
10:00-11:20am**

Present:

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

Apologies were received for the absence of Councillor Forhad Hussain and Damian White.

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

25 DISCLOSURES OF INTEREST

There were no disclosures of interest.

26 MINUTES

The minutes of the meetings held on 19 and 26 January 2018 were agreed as a correct record and signed by the Chairman.

27 ONESOURCE PROVISIONAL OUTTURN 2017/2018

The report was considered as an urgent item following agreement by the Chairman under Section 100b of the Local Government Act 1972 as the information contained within the report wasn't available at the time the agenda was produced.

The report before the committee set out the outturn position for oneSource shared services for the financial year 2017/2018. Detailing the cost share of the final position between the three partner councils.

The overall position for oneSource shared is an underspend of (£1.335m), the split of the underspend between the three partner councils is as follows Havering (£0.630m), Newham (£0.645m) and Bexley (£0.060m).

It was reported that Havering and Bexley had transferred their share of the oneSource underspend to the oneSource earmarked reserve and Newham had allocated its split of the underspend into a corporate reserve, therefore the position shown on Oracle will be nil variance in each authority.

The Joint Committee noted the provisional outturn for oneSource services for 2017/2018.

28 ONESOURCE BUDGET 2018/2019

The report before the committee set 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.

It was reported that the base budget for oneSource shared is £34.410m. 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 2018/19 base budget for oneSource non-shared is £7.345m, this takes into consideration non recurring funding from 2017/2018 and agreed growth and savings for 2018/2019.

Members were assured that advances in technology and the increasing digitisation of services, resulting in the reduction of manual-based processes would deliver the savings forecast in the report.

The Joint Committee noted the based budget for oneSource services for 2018/2019.

29 ONESOURCE UPDATE FOR APRIL 2018

The report updated committee members on a number of oneSource developments.

In respect of the oneSource Integrated Plan, workstreams emerging from the Transition to Trading Programme plus those from the previous oneSource Transformation Plan had been incorporated and were set out in an appendix to the report. It was noted that a report would be presented to a future meeting of the Joint Committee to allow full consideration of oneSource's overall strategic direction of travel. The pilot reports on Passenger Transport and Health & Safety would also be presented as part of that report.

Concerning senior officer appointments, Sean Harriss had been appointed as the new oneSource Interim Chief Executive. Sarah Chaudhry would also be joining oneSource as Director of Asset Management from mid April.

It was reported that Caroline Nugent would be leaving oneSource in mid-May. A campaign to recruit a new HR Director would commence imminently.

Finally, in respect of commercial developments, oneSource continues to be awarded work by partner authorities (most notably Newham small businesses) and externally by other local authorities.

OneSource was shortlisted for the second year running for the Best Service Delivery Model award at the Local Government Chronical Awards in March 2018 and for the HR Distinction Awards for the “Supplier Led HR Innovation & Collaboration” award for the Day One Sickness project with Medigold.

The Joint Committee noted the report.

30 **STRATEGIC PRIORITIES**

The oneSource interim Chief Executive gave a presentation to the committee on the strategic priorities for oneSource going forward (attached as an appendix to the minutes).

The Joint Committee noted the report and thanked the interim CE for his insightful presentation.

Chairman

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ONESOURCE JOINT COMMITTEE 3 August 2018

Subject heading:

**oneSource 2017/18 Outturn
Position**

Report author and contact details:

Paul Thorogood
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Financial summary:

The overall oneSource shared outturn position for 2017/18 was a total underspend of £1.3m, which was transferred to each partner authority's reserve in line with the agreed cost share.

The non-shared position for Havering, Newham and Bexley was an underspend of (£0.8m), an overspend of (7.1m) and an underspend of (£0.4m).

SUMMARY

Outturn

The overall oneSource shared outturn position was an underspend of (£1.342m), split between Havering, Newham and Bexley as follows; (£0.630m) to Havering, (£0.649m) to Newham and (£0.063m) to Bexley. The Havering underspend was transferred to its oneSource reserve held on the balance sheet. Newham and Bexley both transferred their underspends to a corporate earmarked reserve held on the balance sheet.

The non-shared areas closed with the following variances: - Havering non-shared (£0.812m), Newham non-shared £7.065m and Bexley non-shared (£0.407m).

RECOMMENDATIONS

The Joint Committee is asked to: -

- Note the 2017-18 oneSource outturn position;

REPORT DETAIL

Background

OneSource shared areas are funded by Havering, Newham and Bexley Councils in order to deliver shared back office support services. The joint working is set to realise £14.880m of savings in the period up to 2018/19.

Savings of £12.853m for 2017/18 (since inception in 2014/15) have been delivered, as demonstrated in the outturn position. The split between each authority was as follows Havering (£4.483m), Newham (£7.629m) and Bexley (£0.741m).

OneSource is also responsible for the management of non-shared areas within each council, including the delivery of a large number of savings within the non-shared budgets (for example lettings income generation) and across the wider councils (for example Terms and Conditions reviews).

The 2017/18 financial position set out in this report is provisional and subject to the external audit process within each Council. No adjustments are anticipated.

OneSource 2017-18 Outturn Position

Shared

The 2017/18 total oneSource controllable outturn position shows an underspend of £1.342m, this is analysed by service in Appendix 1. The split between Havering, Newham and Bexley as follows; Havering (£0.630m), Newham (£0.649m) and Bexley (£0.063m).

Each authority transferred their underspends to individual reserves which are held on their respective balance sheets, resulting in a nil variance being reported on shared within each authority. The reserve balances will be looked to be spent in following years on various projects to improve and transform the oneSource service, such as the new Financial Reporting System, HR Case Management system. A summary of the reserve positions will be outlined later in the report.

The main reasons for the underspend variances at year end was as a result of;

Legal

An underspend generated from Legal Services of (£0.222m), resulted from; an increase in rechargeable work to schools and capital projects throughout the year as well as uncertain one off income being realised by year end.

Asset Management

Asset Management reported a total underspend of (£0.176m), this was mainly as a result of an over-recovery of print room costs, a number of vacancies which were held in year. Additional support in relation to work on Mayoral priorities was agreed at year end to be met from non-shared, which improved the shared outturn position.

Exchequer and Transactional Services

The underspend of (£0.516m) was as a result of a number of vacant posts that remained unoccupied during the year, as well as a number of one off grants being received within Benefits from the Department for Work and Pensions. The pressure that was being forecast within Enforcement Services earlier in the year as a result of reduced fees being projected following the decision from Newham to remove Council Tax Support was mitigated due to improved performance.

Finance

The finance outturn variance of (£0.217m) underspend was as a result of one off funding being received and a delay in a number of vacant posts being recruited to in year, the overall underspend formed part of the overall balance that was transferred to reserve which will be earmarked for the implementation of the Axiom finance system.

Havering Non-Shared

The 2017/18 outturn for Havering non-shared is an underspend of (£0.817m). This is analysed by service in Appendix 2.

The outturn position within the Havering non-shared was as a result of;

Asset Management

Asset Management underspend of (£0.771m), this resulted from an overachievement of income from commercial properties of (£0.275m), a number of one off sources of income received including one that will be transferred to a capital project in 2018-19 (£0.108m). A number of posts being vacant within the year, contributed to the remaining underspend for the service.

Exchequer Services

Exchequer Services final underspend outturn position (£0.074m), was due to an increase in the number of Housing Benefit invoices being raised, which was part offset by the resulting increase to the bad debt provision.

Newham Non-Shared

The 2017/18 outturn for Newham non-shared is an overspend of £7.065m, this is analysed by service in Appendix 3.

The outturn position within Newham non-shared was as a result of;

Asset Management

The outturn position of Asset Management was an overspend of £7.508m, the result was driven by a number of factors;

The service struggled achieving its commercial income targets including the letting of Dockside and Stratford/East Ham Town Hall equating to over £3m pressure. Growth of £1.178m has been

allocated for 2018-19 which will part offset the pressures going forward and work is ongoing to generate further income. The projected shortfall for 2018-19 for Dockside lettings and commercial income is c£0.6m and c£0.9m respectively, if following reviews of potential income generating activities a shortfall remains this will need to be part of Newham's MTFS moving forward.

The Schools Private Finance Initiative (PFI) and Building Schools for the Future (BSF) cost centres reported an adverse variance of £1.906m; as a result number of issues;

- £1.187m – Over receipting of PFI invoices – This will be reversed in 2018-19, which will result in a one-off benefit to the service
- £0.480m – Two BSF invoices relating to 2016-17 was not adjusted for and full impact was realised as a one of pressure in 2017-18.
- £0.224m – Income received in 2016-17 for a BSF invoice raised was cancelled in 2017-18 which resulted in a further one-off pressure.

A thorough review and reconciliation will be undertaken to ensure these issues are not repeated in 2018/19.

The changes in legislation around business rates valuation following the stair case ruling resulted in an increase of business rate charges against properties. It was expected that the ruling would be reversed during 2017-18 and subsequent invoices would be refunded. However this did not take place and the result increased the outturn position by c£1.2m, the expectation is still for the ruling to be reversed and the refund will now be backdated. If the ruling is reversed Asset Management will receive a one off benefit of c£1.2m.

The historic NNDR charges accounted for c£0.6m of the overall pressure in Asset Management, this pressure formed part of the pressure paper presented in 2017-18, however no further budget was allocated and will remain an on-going pressure.

Below is a summary of the main issues that affected Asset Management 2017-18 and the potential impact on 2018-19 and going forward.

	2017-18 Outturn Pressure (£'m)	Action	Est. pressure for 2018-19 (£'m)	Est. pressure future years (£'m)
Pressures				
Commercial and Multi Occupied Rent Income	2.6	Funding allocated as part of MTFS	0.9	0.9
Dockside Lettings	0.6	Funding allocated as part of MTFS	0.6	0.6
Unachievable Savings on Stratford on East Ham Town Hall	0.4	Funding allocated as part of MTFS	0.0	0.0
NNDR - Stair Case Ruling	1.2	To be Reversed in 2018-19	(1.2)	0.0
NNDR - Historic Pressure	0.6	No further funding allocated	0.6	0.6
PFI - Over-receipted	1.2	To be Reversed in 2018-19	(1.2)	0.0
BSF - 2017-18 Payments made relating	0.5	one off in 2017-18	0.0	0.0

to 2016-17				
BSF - 2016-17 Invoice Cancelled in 2017-18	0.2	one off in 2017-18	0.0	0.0
Total	7.3		(0.3)	2.1

Transactional Services

The overall overspend in Newham non-shared, was mitigated by the underspend within Transactional Services of (£0.792m); this was due to one-off income being realised on revenue for duplicate payments being released from the balance sheet.

Bexley Non Shared

The year-end underspend position of (£0.353m), resulted from no increase to the bad debt provision being made in relation to Housing Benefit, of which a budget of (£0.250m) was made and was being projected during the year, as well as a number of one off grants being received for administering the scheme. The outturn position is analysed by service in Appendix 4.

Summary of shared and non-shared positions of each of the three councils:

A summary position of the shared and non-shared positions (controllable subjective's only; pre transfer to/from reserves) for each council is included in the table below:

	Havering (£'m)	Newham (£'m)	Bexley (£'m)	Total (£'m)
Shared	(0.630)	(0.649)	(0.063)	(1.342)
Non-Shared	(0.817)	7.065	(0.353)	5.895
Total	(1.447)	6.416	(0.416)	4.553

The budget, spend and outturn figures included within Appendix 1, 2, 3 and 4 include controllable budgets only as controllable spend reflects expenditure and income, which service managers directly influence and control through the delivery of their services and financial management activity.

The non-controllable elements, which have been excluded, largely relate to corporate activity and technical accounting adjustments e.g. recharge capital charges etc. No significant variances occur at the yearend as the expenditure incurred is matched by any necessary budget adjustments. These adjustments are largely notional and do not affect each council's individual financial position.

Reserve

It was agreed for 2017-18 that the oneSource year end underspend was to be transferred to reserves, below details the in year movement in 2017-18. From 2018-19 it has been agreed that the balance on the reserves will be used for future transformation projects within oneSource.

	Havering (£'m)	Newham (£'m)	Bexley (£'m)	Total (£'m)
Opening Balance 2017-18	(1.058)			(1.058)
ICT Growth	1.055			1.055
2017-18 Revenue Outturn	(0.630)	(0.649)	(0.063)	(1.342)

Opening Balance 2018-19	(0.633)	(0.649)	(0.063)	(1.345)
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Early Indications for 2018-19

The early indications for 2018-19 following the period 2 budget monitoring, has highlighted the known pressures within Newham Asset Management, in relation to the commercial income target including the Dockside and East Ham lettings pressures shortfall c£1.5m (after growth of £1.178m was allocated).

Further funding of £1.5m has been allocated within Asset Management to offset the pressures of historic NNDR pressures and pressures from the maintenance of corporate buildings.

Additional savings for 2018-19 in line with the oneSource business case has been factored into the 2018-19 oneSource budgets of which pressures being raised of the full delivery of current and previously agreed savings, this will be monitored throughout the year.

Legal implications and risks:

There are no immediate legal implications and risks

Financial Implications and risks:

The oneSource position will be reflected in each borough's Statement of Accounts in accordance with the provisions set out in the Joint Committee Agreement.

The costs of the closedown and external audit processes are met from within existing oneSource service, and corporate budgets respectively.

HR Implications and risks:

There are no immediate HR implications and risks

Background Papers

None



ONESOURCE JOINT COMMITTEE 3 August 2018

Subject heading:

oneSource Annual Report 2017/18

Report author and contact details:

**Indepal Rathore
Business Development Officer
01708432471
Indepal.Rathore@oneSource.co.uk**

Financial summary:

There are no specific financial implications in this report that are not covered elsewhere on the agenda.

SUMMARY

Attached to this report is the draft annual report of oneSource for submission to Bexley, Havering and Newham Councils in line with the Joint Committee Agreement.

RECOMMENDATIONS

Members are invited to consider and comment upon the draft of the fourth oneSource Annual Report prior to final publication.

REPORT DETAIL

1.1 Paragraph 4.5 of the Joint Committee agreement states:

“The Managing Director shall submit to the Joint Committee no later than the last working day of May each year, an annual report on the activities of the Shared Services over the past financial year including an account of financial matters and explaining the main plans and activities for the coming year.”

The draft report has been submitted to this Joint Committee meeting as it is the first held after the end of the year period 2017/18.

1.2 Attached to this report is the draft text for the annual report to be submitted to each council. The report contains a summary of the following for the year:

- Achievements during the year
- Key performance indicators for 2017/18
- Financial performance for 2017/18
- Customer satisfaction for 2017/18
- Future priorities for 2017/18

1.3 Members are invited to comment on the text. Once the text is agreed by the Joint Committee the Annual report will be published.

Legal implications and risks:

There are no Legal implications identified within this report.

Financial Implications and risks:

There are no financial implications identified within this report.

HR Implications and risks:

There are no Human Resource implications identified within this report.

Background Papers

None.

ANNUAL REPORT

Delivering affordable quality
services to Bexley, Havering
and Newham councils, and the
wider public sector

2017 / 18

Working on behalf of



www.oneSource.co.uk

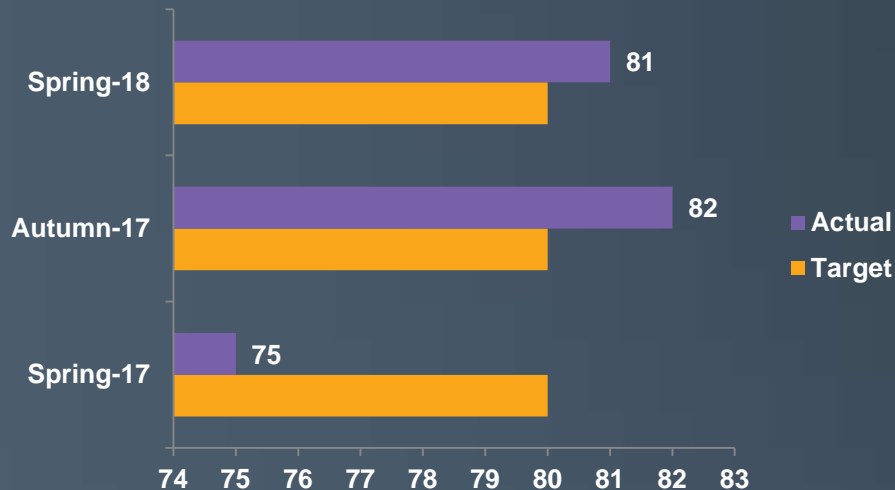


oneSource – Supporting
Public Services

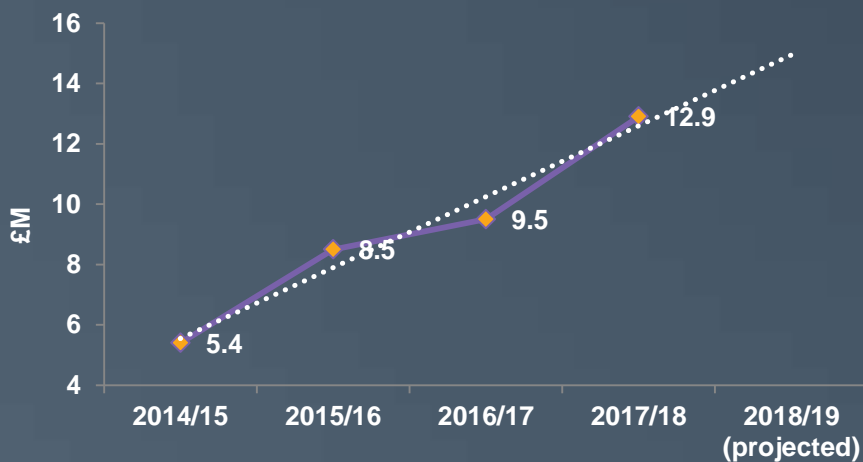


@oneSourceUK

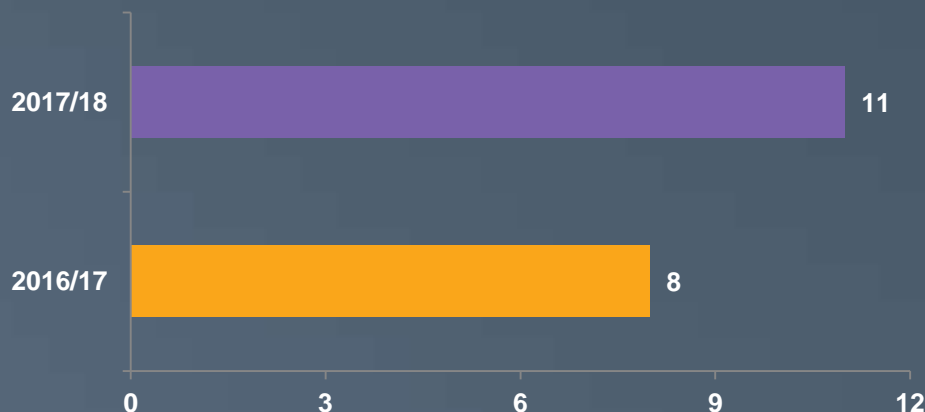
Highlights



81% customer satisfaction across Bexley, Havering and Newham.



Shared savings of £12.85m delivered in 2017/18. On track to save **£14.88m** in 2018/19.



Shortlisted-for or won 11 awards

Contents

CEO statement	1
About oneSource	2
Performance	3
Financial summary.....	3
Satisfaction summary	4
KPIs	5
Achievements	6
Awards.....	6
Supporting our customers.....	7
The year ahead.....	11

CEO statement

Over the past 12 months oneSource has continued to deliver on our main aim of delivering savings for the partner councils to help protect the front line, whilst providing quality strategic, operational and transactional services across our 22 areas.

I'm pleased to report that oneSource is on track to save c£15m per year by 2018/19, whilst at the same time overall satisfaction levels have hit the 80% target set by the Joint Committee for the first time. Given the context within which oneSource has been working, this is a considerable achievement and is down to the hard work, dedication and skill of staff, managers and Directors across the organisation.

The LGC's announcement that Shared Service arrangements such as oneSource are contributing almost £1b saving per annum, cements the importance of oneSource's continued role in protecting our front-line services.

Looking ahead, it is clear that the challenge

for oneSource will be to constantly strive to improve service quality for the three councils and other customers while we continue to look at new ways to save money and be more efficient.

In addition, with new political administrations being elected in May 2018 it will be very important that the services in oneSource are fully aligned to the individual councils' priorities and support the delivery of their strategic objectives for their communities.

Developing oneSource's capacity and capability by investing in managers, staff, systems, processes and technology to help achieve all of our objectives will be the key challenge for the year ahead.

Best wishes

Sean Harriss | CEO
oneSource

*working on behalf of
Bexley, Havering and
Newham councils*



About oneSource



oneSource is one of the largest public-sector shared-services in the UK, comprising three London Borough Councils.

Established in April 2014, Havering and Newham LBCs brought together 22 services and 1300 staff with the aim of streamlining processes and teams, and considerably reducing corporate support costs by 2018/19. Bexley LBC's Finance services joined the collaborative partnership in April 2016.



Our vision, to deliver innovative support and affordable quality services to the public sector, is underpinned by our strategic aims:

- Focussing on our customers by improving service delivery through the transformation of our services;
- Developing our business through staff development and the latest technology;
- Delivering savings and generating revenue to protect frontline services.



As well as leading on key strategic issues for the partner councils, we directly provide corporate support services to them and other public sector organisations within the areas of:

- Asset Management
- Exchequer and Transactions
- Finance, Procurement and Assurance
- HR & Organisational Development
- Legal and Governance
- Technology and Innovation



We are governed by a Joint Committee of Elected Members from the three councils; three from Havering, three from Newham and one from Bexley.

The Joint Committee has strategic oversight over oneSource and delegates operational functions and responsibilities to the Senior Management team according to the needs of each council.

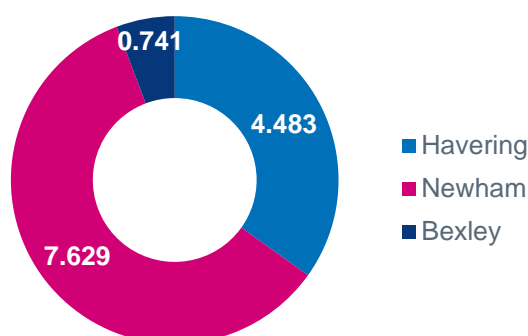
Performance

Financial summary

Shared

oneSource shared areas are funded by Havering, Newham and Bexley councils. £12.85m savings have been delivered for 2017/18, ensuring oneSource stays on track to save £14.88m per annum by 2018/19.

The savings for 2017/18 are split between each authority as follows:



The 2017/18 total controllable outturn position shows an underspend of £1.342m across the authorities. This underspend will be spent in following years to improve and transform the oneSource service.

Underspend variances were mainly due to:

- **Increased income** received by Legal Services for rechargable works to schools and capital projects, increased activity levels in Enforcement, and over recovery of print room costs in Asset Management.
- **Vacancy Management** – specifically within Finance, Asset Management and Exchequer and Transactional Services.

Non-shared

oneSource is also responsible for the management of non-shared areas within each council. The non-shared position for Havering, Newham and Bexley was:

Havering	Newham	Bexley
(£0.8m)	£7.1m	(£0.4m)

Bexley-non-shared

The underspend resulted from no increase to the Housing Benefit Bad Debt provision being made, for which a budget of (£0.250m) was made, as well as multiple one off grants being received for administrating the scheme.

Havering non-shared

The outturn position with Havering non-shared was a result of a mixture of savings and overachievement of income generation across the services.

Newham non-shared

The 2017/18 outturn for Newham non-shared is an overspend of £7.065m. This was driven by a number of non-recurrent items within Asset Management, which will be mitigated in 2018/19. These included the underachievement of commercial rent income due to a high number of voids, changes in business rates valuations legislation that resulted in increased business rates charges, and the decision not to appropriate the HRA shops in 2017/18 but to wait until 2018/19.

Performance

Satisfaction summary

Having implemented an action plan to address the concerns customers had with the level of support, quality and speed of service delivery resulted in overall satisfaction increasing from 75% since the last financial year to 82% in the autumn 2017 survey. This was the first time oneSource exceeded the 80% target set by the Joint Committee.

The results for the second biannual survey dipped slightly, with oneSource achieving an overall satisfaction rating of 81%, still above the target.

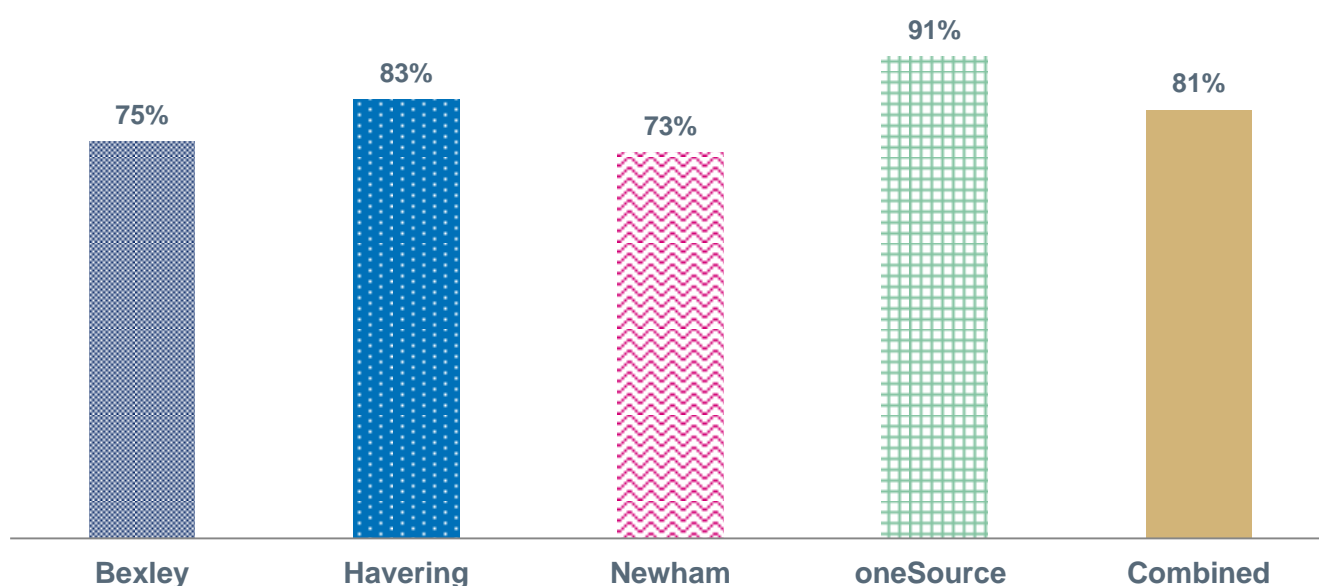
Of the nineteen services surveyed, the number of services meeting or exceeding the 80% target decreased from fourteen to ten in the spring 2018 survey.

The top five performing services were:

- Technical Services (100%)
- Printing Services (97%)
- Health and Safety (95%)
- Legal and Governance (93%)
- ICT (87%)

Conducted twice a year, an online customer satisfaction survey is sent to all senior managers within oneSource, Bexley, Havering and Newham councils to assess the service oneSource provides.

Spring 2018 satisfaction results



See what some of our customer have to say here: <https://www.youtube.com/watch?v=rpdGp4v-tp8>

Performance

KPIs

oneSource has a number of key performance indicators (KPIs) in place to measure of the service provided to our customers.

The performance indicators are utilised to improve customer satisfaction, perform within budget and improve receipt of income. Ultimately ensuring that oneSource provides an improved customer experience whilst reducing the cost of support services to the councils.



£12.85m

Savings achieved
2017/18



97.10%

LBH Council Tax
collection rate
Target 96.75%



98.76%

LBH NNDR collection
rate
Target: 98.70%



99.18%

LBN NNDR collection
rate
Target: 99.77%



19 days

LBH speed of
processing HB / CT
support claims
Target: 20 days



9 days

LBH Speed of
processing CT & HB
CoC
Target: 9 days



99.7%

LBN Business
Systems availability
Target: 99.5%



99.7%

LBH Business
Systems availability
Target: 99.5%

Council tax and benefits is no longer administrated for Newham Council by oneSource. Therefore Council tax collection rate, Speed of processing Housing Benefit / Council Tax support claims, and Speed of processing Council Tax and Housing Benefit

Change of Circumstances are not reported. oneSource only manages the contract Bexley Council has in place with Capita for council tax and benefits administration; it is therefore not reported as part of the oneSource performance report.

Achievements

Awards



HR

HR Distinction

Supplier Led HR
Innovation &
Collaboration



Corporate

LGC

Best Service Delivery
Model



Finance

LAPF

Secure Income Strategy of the Year



Finance

LAPF

Investment Strategy of
the Year

Finance

LAPF

Scheme Governance
Award

Finance

LAPF

LGPS Fund of the
Year (under £2.5
billion)



HR

Personnel Today

Excellence in Public
Service HR



HR

PPMA HR Improving
Workplace
Productivity Through
Better Work-life
Balance



HR

PPMA HR
Best Frontline
Recruitment
Campaign



HR

PPMA HR
Commercialisation in
HR



Enforcement Services

IRRV
Excellence in
Enforcement

Achievements

Supporting our customers

Apart from providing corporate services to our customers, we drive improvements and innovation and provide strategic support in helping them realise their commercial, regeneration and transformation ambitions. Below are just a few examples of how we support our customers to modernise, transform and improve their services.

Mobile Tenancy Audit app

After the Grenfell disaster, Newham Council needed to address any concerns, perform extra checks and address extra matters such as vandalism, rough sleeping and smoking in stairwells for all blocks.

We quickly developed a mobile tenancy audit app that allowed officers to conduct administrative work, view property details and collect data whilst in the field. It resulted in 100% of properties audited; **450 audits done in one month** with just four officers!



Pest Control Reporting platform

The London Network for Pest Solutions needed a system to record customer details and better manage customer information to improve the customer experience.

We developed a reporting platform to track productivity, improve the capture and transmission of inspection results, and recorded customer details. It has led to better reporting and has maximised efficiency, revenue and business intelligence; increased calls / business / income; better data quality; and a paperless office.



Mediation

Conflicts can arise in the workplace and may result in grievances. We implemented a Mediation Service, which supports officers and managers to help find solutions and reach agreements to resolve problems. It has greatly reduced the number of grievances, and encouraged better working relationships in our partner organisations and customers. The innovative service has been recognised in the CIPD book “Managing Conflict: A Practical Guide to Resolution in the Workplace”, and by Personnel Today.



Achievements

Supporting our customers

CLA Live (CLIVE)

Ensuring that vulnerable children receive appropriate intervention to help realise their potential is crucial for our partner councils. We developed CLIVE, an application for staff to manage their caseload or make the case for resources by providing:

- Educational history, key social care information, key relationship;
- Customised groupings; and
- Caseload information.

By removing the burden of preparing reports and allowing teams to generate over 70 key reports in seconds; it supports the statutory and management reporting responsibilities for looked after children. Most importantly, educational needs can be looked at within the context of wellbeing factors and providing a holistic view on the welfare of the child.

Romford Town regeneration

At the heart of Havering Council's regeneration plan was a new leisure centre complete with ice rink and swimming pool. The new £28.5m facility was delivered on schedule and within budget following a 2 year construction period cliented by our Technical Director.

The site for the scheme was acquired by the Council following a complex negotiation process conducted by our Property Services team. In February 2018, the centre officially opened, boasting a 25m pool, a 100 station fitness centre, and a competition size ice rink.



Driving automation and digitisation

Responding to our customers' frustrations with finding forms; we implemented a centralised forms portal that allows access to standardised online forms from one location.

The forms have been designed to be simple to use and, wherever possible, complete basic information; the forms do this by making use of intelligent design, coupled with an auto-populate function driven by One Oracle.



Real time updates

The previous Facilities Management system operating within our partner councils meant

Achievements

Supporting our customers

customers were not provided with status updates and so had no indication of whether a request was being dealt with.

In response, we implemented Technology Forge into the helpdesk, which enables our customers to track service requests via a portal and provide feedback following completion of each works order. The system allows us to share real time information with internal staff, thereby providing valuable customer feedback, improving the customer experience and driving cost savings.

Self service procurement support

We understand that Procurement process can be difficult to navigate so our Procurement Unit provides **Procurement training** for all officers undertaking procurements over £25,000 or who will manage a contract.

The course covers the necessary skills required to conduct effective and compliant procurement processes, including procurement essentials, specification and tender evaluations, contract management and sustainability.

Making collaboration with our customers easier

In response to our customers wanting legal casework information to be made easily accessible, we implemented case management software to record all of our service requests and provide information on cases.

Customers can track requests, in addition to regularly convening with our legal team, to receive progress updates.

Empowering our people

We implemented a self-service password reset system across our partner organisations so that accounts can be unlocked or passwords can be reset from any device without needing to rely on ICT.

By implementing this, we have:

- Reduced help desk volume and costs
- Improved end-user experience
- Drive mobility as users can reset their passwords from wherever they are
- Maintained control of our security policy



Achievements

Supporting our customers

Governance training well received

Legal and Governance services have provided training in Executive Report Writing and understanding the Governance process to 80 members of staff in Newham.

Feedback was really positive, with **100%** of respondents finding the training useful in helping them understand the governance process. Staff were given support on how to write reports, shown where to find additional guidance and resources and shown how to use the new, more user-friendly, report template.

Improving educational environments

As part of Havering's Condition Maintenance programme for summer 2017, oneSource Technical Services embarked on a project to vastly improve Dame Tipping School's educational environment.

Ambitiously, two unsightly and dilapidated 1960's wood timber demountable buildings, and associated outbuildings, were replaced with a modern modular construction that provides improved access to the rear of school, two new spacious class areas with external canopy, and improved outdoor space.



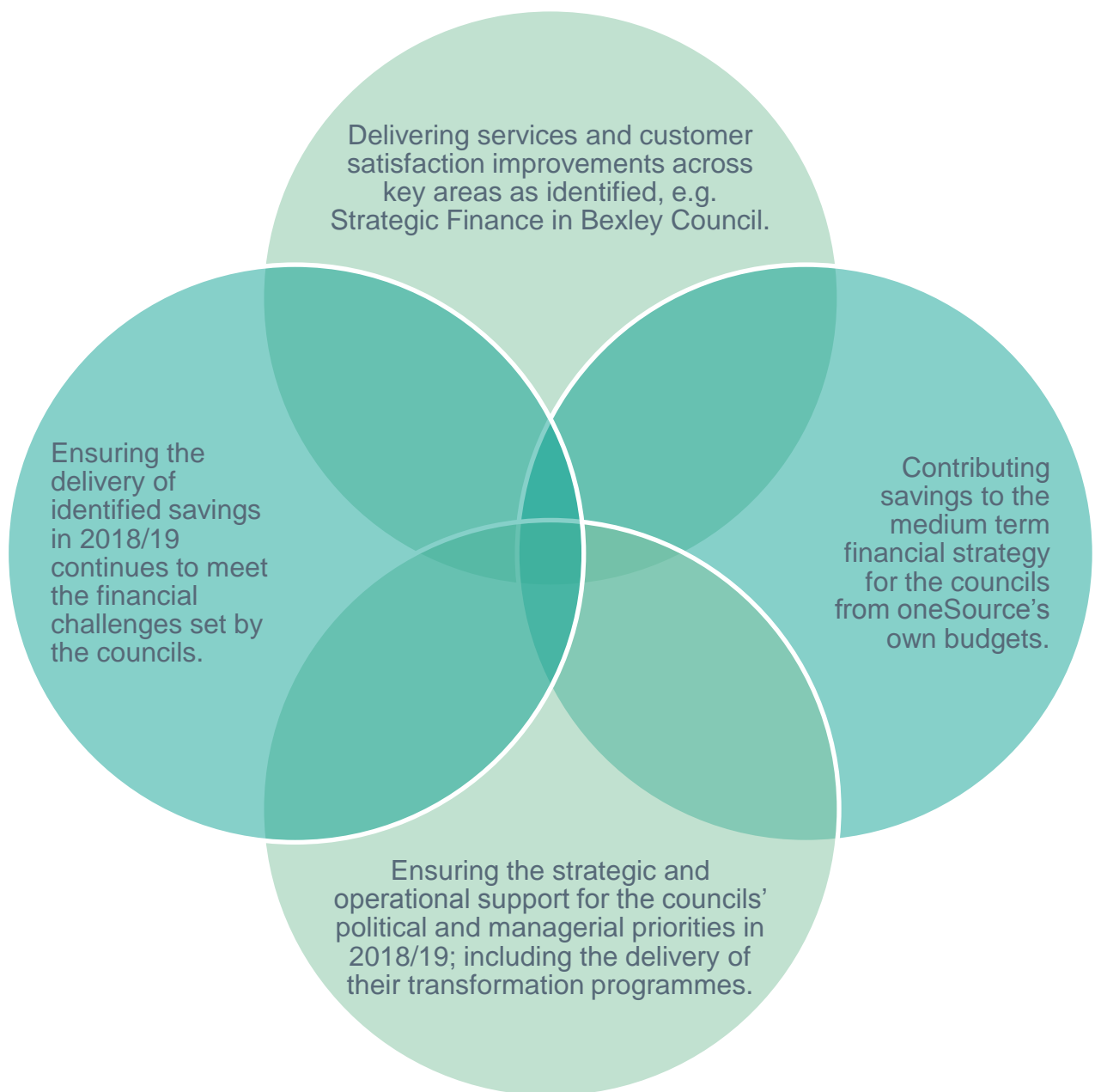
Committee report clearance improvement

As part of the drive to maintain robust governance practices, committee report clearance in Havering has gone live with the rollout of SharePoint and Nintex workflows.

Through the use of auto-generated emails, the new set up ensures compliance with the report clearance procedure and removes the risk regarding report version control. Since January, a series of training events have taken place with key stakeholders. The goal, by late 2018, is to have all committee reports processed through SharePoint.

The year ahead

While oneSource has continued to make progress over the past year both in respect of delivering savings to the councils and improving customer satisfaction there is still much more to do to meet the strategic and operational requirements of the partners. The main priorities for 2018/19 are:



In order to deliver the wide range of priorities and challenges for the next 12 months, it will be important for oneSource to embed more deeply into the workings of the partner councils and to ensure that Directors, managers and staff are supported and developed to meet these challenges.

**Delivering affordable quality services to
Bexley, Havering and Newham councils,
and the wider public sector**

ONESOURCE JOINT COMMITTEE
3 August 2018

Subject heading:

ICT Service Budget Update

Report author and contact details:

Priya Javeri
Director of Technology &
Innovation

Financial summary:

SUMMARY

This report presents an overview of ICT service budgets and spend over last year. It also provides an overview of ICT service journey over past 12 – 18 months and the delivery on the infrastructure roadmap which has fundamentally improved the council's infrastructures to a more stable and sustainable environment.

The report provides information on the significant improvements to the security compliance and implementation of procedures conferring compliance to the new GDPR.

The report further covers progress on the ICT/Digital strategy for OneSource/Newham and Havering and the technology roadmap for next 3 years.

RECOMMENDATIONS

The Joint Committee is recommended:

1. to note the significant ICT improvements and financial information on the budgets provided in the report.

REPORT DETAIL

Background

In January 2017, ICT took a business case to both Newham and Havering SLT to request urgent investment in ICT to avoid risks. Subsequently, in October 2017, ICT service submitted a report to Havering Cabinet for growth bid to invest in ICT as urgent investment was required for sustaining support for key ICT systems. The report also included a request for urgent investment to be made in security systems and improvements to security infrastructure including compliance with GDPR, PCI DSS and PSN.

This request for revenue resources also included request for resources to catch up with infrastructure improvement.

In September 2017, a similar report was presented to Newham Mayoral Proceedings to request Capital investment required for the infrastructure improvement projects. In Havering there is a current recurring capital that follows a separate internal governance process for allocation of that capital funding.

In Newham, the request was presented to and agreed by the section 151 officer and members for revenue growth.

The table below shows summary of investment

	Havering	Newham	Total
Capital	£1m*	£1m**	£2m
Shared Revenue	£0.8m	£581k	£1.381m

*The Havering Capital is recurring investment

**The Newham Capital approval is a one off approval of £3m

Update on progress

The report was revenue was approved by both the councils in October 2017. The resources required for infrastructure projects have since been deployed although resources were only deployed after October approval which meant most of the infrastructure projects were initiated in the quarter four of the financial year.

The key focus over last 12/18 months for improvements has been on security compliance, introduction of technology architecture governance, project governance, GDPR compliance and technology roadmap.

The establishment of IT Boards is also a key success in providing transparency and governance for all IT projects.

Digital/ICT Strategy for OneSource, Havering and Newham

There has been significant change in direction of travel for OneSource in the past 12 months and the focus is now on supporting and deepening the focus on the current stakeholders in the Joint Committee.

For both Newham and Havering Councils the focus is also changing with the new administration and new set of corporate priorities are being developed.

The strategy for OneSource ICT service is to focus on technology roadmap that has been developed and implement infrastructure projects that are critical to support and improve the council's services.

The strategic vision for the delivery of ICT services within Newham is **'To deliver innovative and resilient Digital ICT Services responsive to the needs of our customers'**. In order to deliver this vision, all services within the Councils and the ICT Service will sign up to the following guiding principles and work collaboratively to deliver them:

Principle 1	:	Secure
Principle 2	:	Customer focussed
Principle 3	:	Supporting a fully digital Councils
Principle 4	:	Flexible services, available at the point of use
Principle 5	:	Value for money
Principle 6	:	Fit for purpose business systems
Principle 7	:	Collaboration
Principle 8	:	More flexible and agile delivery
Principle 9	:	Data driven
Principle 10	:	Cloud First

The focus is to improve infrastructure to ensure we have a stable and secure framework for the councils to deliver its digital offer to its residents but also to support improved service delivery of the council services.

The key priorities are:

Digital Strategy

The councils are in a process of developing digital/IT strategy based on the new corporate objectives of the new administration. This is currently in draft but the IT boards have agreed outline strategy which is defined in appendix 1.

Business Systems Improvement Programme:

Improve business systems use through more consolidated systems where appropriate such as replacement of CRM and oneOracle. The implementation of key new systems such as implementation of Social Care and Housing Systems.

Infrastructure Improvement Programme:

Improve key technology platforms such as upgrade of the Corporate and Contact Centre Telephony.

Replace and improve key aspects of infrastructure such as networking and remote access.

Introduction of the new collaboration tools which are much needed for Smarter Working and Mobile/Flexible working through implementation of Office 365.

Improve technology and wireless access within the council's buildings and meeting rooms.

Digital projects

Through various initiatives which are currently being initiated locally and regionally, there is need to improve connectivity in the boroughs for residents, staff and visitors. This can attract the small or large business to the areas. The connectivity comes in various forms such improved broadband, wireless access and opportunity to pilot the new 5G technology.

There are key projects which are focusing on improving care in community through better use of modern technology which is now available for predictive analysis. These initiatives will help vulnerable or elderly residents to stay in their homes for longer while improving quality of their care.

The general improvements to the digital offer to customers will focus on improving access to online and app based systems for our residents.

The investment in robotics and automation will generally improve process efficiency and deliver savings. This will invariably be the invest to save projects where implementing robotics in high volume transactional services will deliver significant revenue savings through automation. The key areas ideal for such investment are revs & bens and Financial Services where high volume repetitive transactions historically require high number of resources to manage simple transactions for revenue resources.

Summary of progress to date

Security

The mandate was to look at our current compliance and security set-up and address any vulnerabilities and risks to the councils.

Risks and Vulnerabilities

The following were identified as vulnerability and risks in the Cabinet reports for both Newham and Havering Councils.

1. The banks Payment Card Industry Data Security Standard (PCI-DSS) compliance.
2. The change in the data protection law on 25th May 2018.
3. Enhancements to ICT security to minimise and prevent internal and external threats to the council's network, systems, applications and data.

If the council did not address the vulnerabilities and risks mentioned above it could be fined for non-compliance, unable to process card data or share information with health or other partners.

Vulnerabilities and Risks	Implementation
<p>General Data Protection Regulation</p> <p>The data protection law changed on 25th May 2018 and imposed new legal requirements on organisations that process and control personal data. If not implemented correctly, the councils would be fined for non-compliance with the law.</p>	<p>Data Protection (GDPR)</p> <ul style="list-style-type: none"> • A GDPR Project Manager was engaged to help with the implementation of GDPR in Newham and Havering. • Awareness was raised with over 2,000 employees at workshops. • Over 7,000 staff trained using the online training application. • Procurement of a data mapping application to capture information about data flows in the organisations. This is a GDPR requirement. Over 700 data flows mapped and is ongoing. • Raised awareness with suppliers and providers. • Updated policies and procedures. • Implemented new online data breach reporting form to maintain a register, which is a requirement. <p>Successfully went live with GDPR on 25th May 2018 and now working with services to secure operational compliance when processing personal data.</p>
<p>Card Payments Security</p> <p>In order to process card payments organisations must be compliant with the security standards set out by the banks.</p> <p>Importantly, no card data should be stored on our systems.</p> <p>If this risk was not addressed the banks could have fined the council and stop the council from processing debit and credit card payments.</p>	<p>Payment Card Industry Data Security Standard (PCI-DSS)</p> <ul style="list-style-type: none"> • A PCI-DSS consultancy firm was used over a period of four months to prepare a gap analysis, capture data, audit chip and pin sites, identify risks and controls, prepare documentation and help make the submission to the banks. • The project ended in April 2018 and Newham and Havering are compliant with the banks security requirements. • The controls and documentation must be maintained because the councils must make an annual sub-mission to the banks.
<p>ICT Security</p> <p>We were unable to patch a few of our systems, there was a need to improve our perimeter defence, prevent ransomware and filter spam</p>	<p>ICT Security Components</p> <ul style="list-style-type: none"> • An ICT security solution was procured that integrated with our existing defences and controls and included secure mail for all employees and protection of servers and email. • We have implemented protection for our servers

and provide secure mail.	<p>and hosted email security to prevent ransomware attacks.</p> <ul style="list-style-type: none"> • The implementation of secure mail for all staff is nearing completion (July) and the remaining components (e.g. OfficeScan and EndPoint encryption) will go live before the end of August.
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ICT Systems Support and Infrastructure Resources Spend

The existing ICT budgets were not sufficient to meet the expenditure required to maintain and support for the CRM and DWH which are critical systems for both organisations.

CRM Achievements

Organisation	Delivered
<u>LBN/LBH</u>	<ul style="list-style-type: none"> • Integration with the new Achieve Forms migration project & cont. support. • Portal account management tool to assists business to update/unlock password, send activation email etc. • Office 2016 compatibility review. • Rebuilding of the core parts of the system. • Generic Training User Profiles to enable greater self-sufficiency. • SQL DB upgrade. • SharePoint Doc Store patching/upgrade • Cross - borough Service Reviews
<u>LBH</u>	<ul style="list-style-type: none"> • Portal account management tool to assists business to update/unlock password, send activation email etc. • Office 2016 compatibility review.
<u>LBN</u>	<ul style="list-style-type: none"> • Parking permits: <ul style="list-style-type: none"> ○ free visitors all zones ○ Industrial zones ○ Carers parking permits • Webchat developed & made available for portal customers across multiple services. • ELIF Cancel Functionality (LBN) allows business to cancel enquiry which also cancels all the related records e.g. steps, outcomes, investigations etc. • LBN: Housing Options (Homelessness) – Rollout for 20 users

CRM Projects List

Organisation	Development	Organisations	Development
LBN	Moneyworks Data		
LBN	Tenancy Audit Data	LBN/LBH	Extension of Nomad Match Rules
LBN/LBH	NEET Data	LBN/LBH	Automated/Bulk Matching
LBH	Council Tax Financial Data	LBN/LBH	UnMerging
LBN/LBH	Vulnerability Index	LBN/LBH	Screen/Operation Enhancements
LBN/LBH	Person Core History View	LBN/LBH	Business Dimension
LBN/LBH	Business Dimension	LBN/LBH	Additional Nomad Feeds
LBN	Virtual Parking Interface	LBN/LBH	Extension of Data Dictionary
LBN/LBH	Property Tenure/Licencing Project	LBN/LBH	Technical and User Documentation
LBN/LBH	Single View of Customer Debt	LBN/LBH	Migration to SqlServer 2016
LBN	Azeus Replacement Feed	LBN/LBH	Azure Proof of Concept
LBH	Open Housing Feed	LBN/LBH	Governance / GDPR Tasks
LBN	SubLetting Identification	LBN	Cube Development / Power BI
LBN/LBH	Freedom Pass	LBN	NNDR Reconciliation
LBN/LBH	Single Person Discount	LBN/LBH	Freedom Passes
LBN	Missing Business Rates Identification	LBN/LBH	Blue Badge Data
LBN/LBH	Tracing Service	LBN/LBH	School Attainment Data
LBN	Troubled Families Extract	LBN/LBH	Deaths Data
LBN	Best Start in Life Extract	LBN	Gangs Data
LBN	Child Protection Predictive Analysis	LBN	Social Isolation Extracts
LBN	Homelessness Extracts	LBN	Population Trend Analysis
LBN	Benefits Extracts	LBN	Data Quality Support
LBN	Homeless Initial Probability Interface	LBN	High Rise Tower Analysis Extracts
LBN	Gangs Extracts	LBN	Housing Repairs Costs Analysis

Key ICT Infrastructure Projects

The Infrastructure Modernisation Programme is a complex series of projects which will bring significant improvements to all customers of oneSource ICT. Due to historical underinvestment there is a significant volume of pre-work and dependencies which need to be completed before we can implement the technological improvements.

oneSource ICT provides approximately 500 applications on behalf of its customers and it is essential that they are tested or upgraded to ensure they are compatible with the planned technology. As such a detailed analysis of these systems has taken place. Testing and upgrade plans have been put in place to ensure our current estate can support these technologies going forward. Additionally, the relationships between individual and group email inboxes and telephony groups need to be mapped.

Please see appendix 2 for the list of projects. A full list of ICT projects can be found in appendix 3.

Infrastructure Roadmap

There are a number of challenges that we currently face with our infrastructure. Whilst a number of urgent projects are currently underway, there is a need to define the technology roadmap for the next 3-5 years.

The appendix 4 defines the Technology Roadmap in detail.

In addition, IT have also developed business systems register and business systems roadmap which is currently being completed for both the boroughs.

Financials

Summary Shared Revenue Spend

Area	Spend
Security	£468k
CRM	£420k
DWH	£360k
Infrastructure Projects	£193k
Total	£1382k

Summary Capital Spend

Area	LBN Spend	LBH Spend
Library PC refresh	£352k	
Mobile Working for Children's Services	£233k	
Express route		£46k
Power BI		£27k
Infrastructure Migration		£115k
Total	£585k	£188k

Legal implications and risks:

The recommendations in this report are in line with the Constitutions of both Councils and the delegations made to Joint Committee for oneSource Shared Services. Substantive decisions on spend including any key activities will be the subject of separate governance arrangements in line with the procedures set in the constitutions of each council.

Financial Implications and risks:

There are no financial implications associated with recommendation 1 which is for information only.

Whilst there are no financial implications associated with approval of the oneSource ICT strategy (recommendation 2), its implementation will have significant financial implications. Some of the projects which oneSource ICT will deliver will be contained within existing revenue budgets for the shared service, whereas others will be funded from existing revenue or capital budgets managed on behalf of each of the partner Councils. The financial implications of each project will need to be separately assessed prior to implementation to ensure that costs can be contained within existing budgets and/or alternative sources of funding approved. This assessment will also need to ensure that the financial implications are accurately reflected in each Councils medium term financial strategy. For example the move to a Cloud First approach will require a change from the traditional use of capital resources to fund the purchase of IT systems and hardware to ongoing annual revenue costs to providers hosting the Cloud based systems. Set up of these cloud based systems also requires one off revenue funding rather than capital."

HR Implications and risks:

There appear to be no HR implications or risks arising from this update report. However, any recruitment activity required to deliver the ICT/Digital strategy will be managed in accordance with the relevant Councils recruitment and selection policies and procedures and supported by the oneSource HR Service if necessary.

Background Papers

None

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Appendix 1 - Digital Strategy

Digital Council

Ensure that our Digital and ICT infrastructure is “fit for purpose”
<ul style="list-style-type: none"> We need to continue to improve the infrastructure to ensure we have supported and stable systems environment. Use and exploit software robotic and emerging artificial intelligence (AI) technologies to reduce service delivery costs and allow staff to focus on increasing value
<ul style="list-style-type: none"> We will pilot robotic process automation (RPA) technology within suitable service areas
Deliver of technologies to enable our workforce to maximize the benefits of smarter working
<ul style="list-style-type: none"> We have developed a new mobile centric desktop strategy which will be a key enabler for smarter working and any future consolidation of the council’s office accommodation estate We will be deploying new and improve collaboration tools and services to staff and members, including Microsoft Skype for Business unified communications and the Microsoft Office 365 Cloud collaboration suite
To exploit and maximise the effectiveness of how we handle data and information across the Council to make decisions
<ul style="list-style-type: none"> We will further develop and enhance our Data Warehouse system and we are implementing a corporate business analytics tool to analyse data and share insights We need to focus on improving our processes through use of robotics and automation. Automation and review of processes on its own can deliver significant savings
Embrace a “Cloud First” approach for our ICT systems provision
<ul style="list-style-type: none"> All new ICT system provision should be by default Cloud hosted. Only if there is a compelling business reason will it be installed and run from our on premise Data Centres. We are developing a “Hybrid Cloud” infrastructure and a Cloud migration roadmap to allow us to rationalise and reduce our on premise Data Centre environments.
Rationalise our ICT application estate to maximise value and reduce complexity and cost
<ul style="list-style-type: none"> We are finalising a business application strategy. Analysis of our current application estate is underway and a roadmap is in development
Implement effective cyber security and to build cyber resilience across the organisation
<ul style="list-style-type: none"> We are enhancing our cyber security systems and developing improved cyber resilience controls
Increase and improve how we integrate, collaborate and knowledge share with our partners
<ul style="list-style-type: none"> We are continuing to develop on our systems integration and data sharing with the NHS and other Local Authorities
Use new technology to innovate how we manage and maintain our assets
<ul style="list-style-type: none"> We will identify how we exploit and deploy innovative technologies, which align with Digital, e.g. use of Drone technology for building inspections, event monitoring, enforcement etc.
Improve our workforce’s Digital skills
<ul style="list-style-type: none"> We will ensure our staff and members have access to appropriate training and support for the development of their Digital skills.

Digital Customer

Make Digital the preferred channel of choice
<ul style="list-style-type: none">• Customer experience will be at the heart of our Digital service design and by getting this right we will reduce the demand on other channels; we will engage with our residents and customers on the service design, service experience and service improvements• Increase how we harness social media channels for service transactions
Improve the Web presence
<ul style="list-style-type: none">• We will re-platform our website, improve the content structure to align with our resident's and customer's needs and make mobile presentation primary• We will replace the existing online portal with a new Digital centric portal as part of the new Digital customer platform programme
Reduce Digital exclusion
<ul style="list-style-type: none">• Provide improved physical access to Digital services through our libraries• Promote digital awareness and digital skills development within the community, exploiting all appropriate resources; local, national and private sector social initiatives e.g. Barclays Digital Eagles and Wings, Goodthings Foundation Learn My Way etc.

Digital Borough

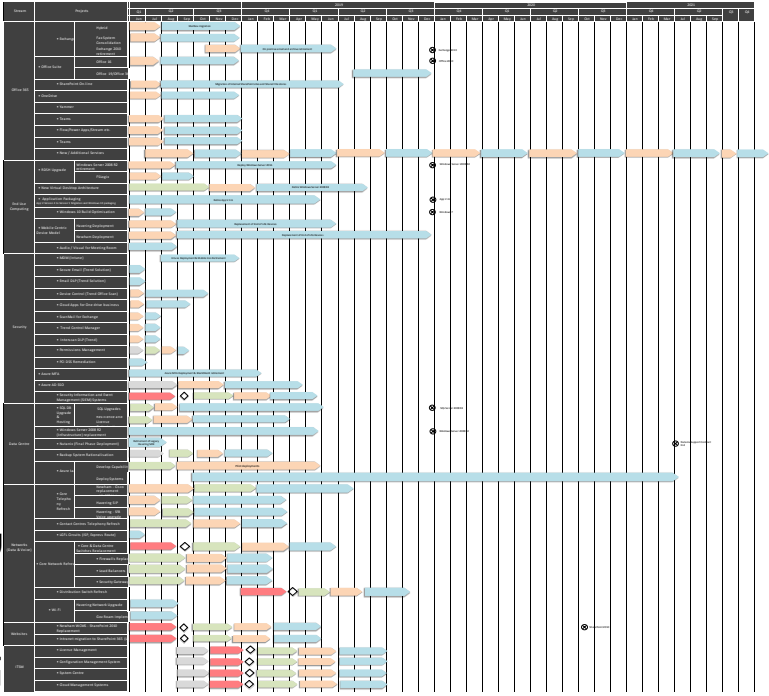
Develop our Smart City infrastructure
<ul style="list-style-type: none">• Identify how we exploit and deploy Internet of Things (IoT) technologies to enable development and deployment of Smart services within the borough, e.g. Smart housing stock management, Smart monitoring and assistive living, Smart enforcement etc.• We will align and actively participate in Smarter London Together and related initiatives
Improve connectivity across the borough for residents and businesses
<ul style="list-style-type: none">• We will work with connectivity providers to ensure good mobile and broadband connectivity access throughout the borough• We will explore how to develop and exploit our existing fibre network with a focus on borough wide WiFi provision and integration with existing 4th Generation (4G) and the emerging 5th Generation (5G) mobile services• We will consider how we can maximise the use of our own public assets (e.g. street furniture) to increase connectivity
Ensure we are well placed to bid for and receive all external funding opportunities for Smart City and Connectivity developments
<ul style="list-style-type: none">• We will share knowledge across the organisation on opportunities and bring together the appropriate resources to maximise our effectiveness in bid applications
Ensure that Digital is intrinsic in the Local Development Framework
<ul style="list-style-type: none">• We will look at the relationship between planning and Digital infrastructure initiatives
Support the development of the GovTech sector
<ul style="list-style-type: none">• We have been working in partnership with PwC on the Scale Gov.Tech programme to enable innovators and Small and Medium sized Enterprises (SMEs) develop solutions for new ways of delivering improved outcomes and public services that are more efficient

Appendix 2 - List of infrastructure projects

Project	Status
<u>Audio Visual</u>	<ul style="list-style-type: none"> • New technology has been installed to facilitate meetings at Dockside • Site survey has been completed and quotes obtained for both Newham and Havering • This is due for completion in September 2018.
<u>Contact Centre Telephony Replacement</u>	<ul style="list-style-type: none"> • Stakeholders at both boroughs are engaged as are suppliers • Seeks to replace the on premise solutions with Cloud based solutions. • Subject to Procurement process, the implementation is due in March 2019.
<u>Corporate Telephony replacement</u>	<ul style="list-style-type: none"> • LB Havering - Consists of an in-place upgrade to Skype 2016 and is due for completion in 2018 • LB Newham – complete replacement of the existing Cisco solution with Skype for Business which will yield significant functional improvements. Due for completion in March 2019
<u>Wi-Fi Upgrade</u>	<ul style="list-style-type: none"> • LB Havering – Significant upgrade to the existing Wi-Fi infrastructure in the Town Hall and Central Library. This project is in the implementation phase and will be completed by end of 2018.
<u>Exchange Online</u>	<ul style="list-style-type: none"> • Significant dependencies exist which are currently being resolved • High level designs are underway and we anticipate this will be available by the end of 2018.
<u>Network Refresh</u>	<ul style="list-style-type: none"> • A review has been undertaken and recommendations costed which will provide a significant core upgrade. • This upgrade will be implemented in 2019.
<u>Desktop Refresh</u>	<ul style="list-style-type: none"> • Many of the existing desktop computers at both boroughs are reaching end of life and need to be replaced. At LB Havering there are approximately 1000 devices which require replacement and the scale of the issue is currently being scoped at LB Newham. This project will link into the Smarter Working agenda at both boroughs and devices will be replaced according to these strategies.

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ONESOURCE JOINT COMMITTEE 3 August 2018

Subject heading

**Interim oneSource CEO Overview
and Update Report**

Report author and contact details:

**Sean Harriss – Interim CEO
oneSource**

Financial summary:

**There are no direct financial
implications relating to this report**

SUMMARY

The report highlights the following key updates:

- The background and historic development of oneSource
- The main developments in oneSource since the last meeting of the Joint Committee in April
- The outcome of the Customer Satisfaction Survey for oneSource
- The strategic direction and priorities for oneSource 2018/19

A presentation will be given at the meeting to supplement the background to oneSource and the Strategic Direction for oneSource 2018/19.

RECOMMENDATIONS

The Joint Committee are requested to note the key updates provided in the report and discuss the Strategic Direction for oneSource 2018/19 as set out in the report and presentation.

REPORT DETAIL

1. Introduction

This report has been developed for the oneSource Joint Committee in the context of the Joint Committee's first meeting following the elections to the three Councils in May 2018. The local elections in LB Newham, LB Havering and LB Bexley have seen a number of changes at Mayor, Leader, Cabinet Member and Joint Committee Member level which makes it particularly important that the Joint Committee have the opportunity to review both

the historic context and development of oneSource over the past four years and to discuss the strategic direction for 2018/19.

2. Context and Background to oneSource

To ensure that all members of the Joint Committee have an understanding of the history, context and development of oneSource over the last few years a presentation will be provided at the Joint Committee which will cover the following key areas:

- The rationale for the establishment of oneSource as the shared service for strategic, support and transactional services for LB Havering, LB Newham, LB Bexley
- The Services provided within oneSource, the Management Structure, Budgets and Performance framework that oneSource operates in
- The Governance arrangements for oneSource
- The development of oneSource over the past four years and the savings achieved for the Member Councils

3. Customer Satisfaction Survey 2017/18

One of the key performance measures for oneSource is customer satisfaction. Since the last meeting of the Joint Committee the 2017/18 survey has been undertaken and an initial analysis of the results has been undertaken. A more detailed breakdown of the outcome of the survey is attached as appendix one with the key highlights being:

- The overall satisfaction for oneSource services (combining the four organisations) is 81%, decreasing marginally by 1% from that found in the Autumn 2017 survey, where 82% of customers were satisfied with the service they received. This is the second time that oneSource has exceeded the 80% target set by the Joint Committee, since the organisation's inception.
- Individually, customer satisfaction with the service received is 83% from Havering Council, 73% from Newham Council, 75% from Bexley Council and 91% from oneSource. Customer satisfaction has increased for oneSource and Bexley, with satisfaction in oneSource exceeding the target. Satisfaction within Havering dropped slightly by 5% but overall satisfaction still exceeds the target. There was a decrease in satisfaction within Newham, with overall satisfaction dropping by 8%.

Detailed work will be undertaken over the next few weeks to identify action in those services where satisfaction has reduced by a significant amount and what can be done to improve this. Interestingly the initial feedback seems to suggest the main areas of concern are around speed of response and capacity issues rather than overall quality.

4. Key Developments and work programme of Interim CEO

Following my appointment on an Interim basis in March 2018 my brief has been to:

- Lead the organisation through the pre and post-election period
- Maintain and improve service quality where possible
- Develop with the new political administrations post-election a strategy that could be supported by the three Councils
- Start to develop options for the delivery of savings and transformation 2018-22

Outside of the development of the overall strategy for oneSource the main areas of focus and activity for oneSource has included:

- Supporting Newham and Havering Councils in developing their Medium Term Financial Strategies and associated Transformation Plans.
- Responding to the priorities in respect of oneSource Services from the new political administrations
- Ensuring the effective closure of the accounts of the three Councils in the context of a new shorter timescale
- Looking at high level options for how oneSource could both make future savings from within oneSource budgets and how through the enabling role that oneSource plays support the delivery of savings across the Councils
- Working with Bexley Council to improve aspects of the strategic finance service provided by oneSource
- OneSource has also been represented at the Public Sector Show at Excel, the Local Government Association Conference and CIPFA Conference which has been used to promote the achievements of oneSource to date and to promote the opportunity for other Councils and organisations to join the partnership and or buy individual services

In respect of identifying the overall strategy for oneSource going forward I have undertaken a detailed analysis of oneSource, the options available and information relating to the overall market and key trends. In more detail this has included:

- Reviewing the existing strategies and plans, service quality and budgets
- Discussions with political and managerial leaders across the three Councils including Mayor/Leader/portfolio holders
- An assessment of Council policy positions vis a vis Manifestos etc.
- Discussion and dialogue with oneSource Directors, Staff and Managers
- An analysis of strengths and weaknesses of the current structure of onesource
- Assessment of the strengths and weaknesses of potential models in the context of market conditions, financial position, organisational transformation plans and oneSource capacity and capability

Based on all of the above I would recommend to the three Councils the following for the reasons set out below:

- That oneSource remains as a local authority shared service rather than becoming a separate legal entity
- That in line with previous agreements where it is possible for oneSource to trade/sell services to others this should be pursued in order to meet existing income targets

The reason for this recommendation is as follows:

- There are no discernible advantages to a company model and given the issues in respect of pension strain, TUPE and extra costs associated with the creation of a company there are a number of potential financial disadvantages
- oneSource is not in any event ready to move to becoming a commercial entity and as per the review undertaken in 2017 there is no obvious market for oneSource to exploit.
- That given the size and scale of the transformation agendas in both Havering and Newham and the savings associated with this it would be highly risky to divert capacity and expertise of the leadership and management teams in oneSource from this activity which would be an inevitable consequence of moving to a different model
- Experience from elsewhere suggests that while Councils are happy to keep strategic services in a shared service model there is reluctance to keep strategic finance, HR,

legal and ICT etc. in a more “outsourced” arrangement. Financial and service advantages are likely to be lost in this scenario

- The policy position expressed by some of the member councils re preference for in-house service delivery

Although it is proposed that the broad structure of oneSource remains as a local authority shared service under a Joint Committee there are a number of developments that are recommended to improve and enhance current arrangements:

- oneSource should become much more integral to the delivery of the transformation programmes of the Councils where appropriate. This is where the majority of savings will be found in future and the strategic services in oneSource are key to the successful achievement of this
- oneSource should become more embedded in the Councils and not seen as an external organisation creating greater synergies, trust and added value. The internal branding of oneSource needs to be considered in this context as does the need to explain the nature and function of oneSource to members and officers within the Councils who are often unaware of the background objectives and governance of the shared service
- Notwithstanding the above there should be a stronger client/commissioning relationship both in respect of oneSource priorities and to drive service quality. This is developing well with a clearer and more transparent process involving the three Executive Directors from Newham, Havering and Bexley and the Interim CEO of oneSource
- Deepening and widening of the partnership where appropriate should be considered to bring more services into oneSource from the existing Councils and others

The position outlined above would enable the directors, managers and staff within oneSource to focus on improving service quality, satisfaction and performance while also focussing on delivering savings within oneSource and the partner Councils. This approach also provides the maximum flexibility for the Councils so if they wish to add, remove or change services within the oneSource shared service in the future this will be possible.

IMPLICATIONS & RISKS

Legal implications and risks: There are no immediate risks with the report

Financial Implications and risks: There are no immediate risks with the report

HR Implications and risks: There are no immediate risks with the report

Background Papers

None

Joint Committee Briefing

Page 51

Sean Harriss, CEO oneSource
July 2018

Today's Agenda

- Provide a briefing on oneSource – Newham's, Havering's and Bexley's shared service for strategic, support and transactional services
- Explain the rationale for oneSource and its development over the past four years
- Outline the services provided via oneSource and the governance arrangements
- Explain the savings achieved and performance of oneSource
- Outline the future of oneSource and strategic priorities for 2018/19

Page 52

Introduction: oneSource

- Was set-up in 2014 to release savings quickly to protect front-line services
- Is not a legal entity, it's a brand name for the Councils' shared professional support service arrangement
- Staff remain employed within their parent councils, though many work across the two / three boroughs irrespective of their employing council.
- Has a budget of £40m and employs around 850 staff

Introduction :oneSource

- Currently the largest public sector service partnership in London and one of the largest in the UK.
- Originally formed by the London Boroughs of Havering and Newham by bringing together 22 service areas and 1350 staff, with LB Bexley joining in April 2016.
- Bexley Council shares Internal Audit, Transactional Finance and Strategic Finance only.
- Provides a range of strategic, operational and transactional services.
- Projected £15million annual savings by 2018/19

Page 54



Finance: Strategic and Operational Finance, Procurement, Assurance (Audit, Fraud, Insurance, Compliance & Risk) and Transactional Finance (Accounts Payable, Accounts Receivable, Systems Reconciliation & Pension Administration)



Legal and Governance: Legal Services, Democratic Services and Election services.



Exchequer: Council Tax and Benefits, NNDR, Client Management of the Bexley Capita contract (covering Council Tax, Benefits, NNDR and debt recovery) Financial enforcement services for the non-payment of council tax and parking (Bailiff Service, Debt recovery)



Human Resources: Strategic and Operational HR, Organisational Development, Transactional HR and Payroll



Technology and Innovation: IT Support, Telephony, Application Development, Website Development, IT Project Management, Business Improvement, Printing, Business Continuity and Disaster Recovery



Asset Management: Facilities Management, Health and Safety, Projects and Programmes, and Property Services



Technical Services: Technical Services and Transport

oneSource Management Team (OMT)



Sean Harriss
Chief Executive



Sarah Chaudhry
Director of Asset
Management



Jan Douglas
Interim Director of
HR & OD



Sarah Bryant
Director of Exchequer
and Transactional
services



Daniel Fenwick
Director of Legal &
Governance



Paul Thorogood
Director of Finance



Priya Javeri
Director of Tech &
Innovation

Background & Savings Achieved

Page 57

- One of largest and most successful local authority shared services
- Achieved savings of c£15m in total c25% of budget
- Reduced the size of the workforce from c1350 to c850
- Due to the “sharing dividend” has enabled greater savings and created more resilience and service quality
- Provides services to others and therefore income to core Councils

Our Customers

Asset Management

- Beal Academy Trust
- Ensignbus
- Essex County Council
- LB Barking and Dagenham
- Thurrock Council
- Multitude of academies, trusts and associations

Page 58

Human Resources

- LB Waltham Forest
- Harlow Council
- Thurrock Council



Beal Academy Trust
A COMPELLING VISION FOR SUCCESS

THE
STANFORD & CORRINGHAM
SCHOOLS TRUST

A 2-19 Academy schools trust with a Performing Arts specialism



Ensignbus

omnibus suppliers to the world



**THURROCK
COUNCIL**



Our Customers

Exchequer and Transactional Services

- Harrow Election Services
- Unison
- Rush Green Primary School
- St. Patrick's Primary School
- Mayfield School
- Leyton 6th Form
- Multitude of academies



Finance

- Newham Legacy Investments
- Royal Docks Trust



ICT

- Brentwood Borough Council
- LGA
- Norfolk County Council



Governance of oneSource

- Its not a legal entity, separate company or “outsourced”
- Operated under Joint Committee model
- Comprises three councillors from each Havering and Newham, and one councillor from Bexley.
- The Joint Committee meet 3 times a year and the meetings generally cover the following
 - Customer satisfaction levels
 - Delivery of the budget
 - Delivery of the savings
 - oneSource strategies

Performance Measures

- oneSource's performance is assessed on four key strategic performance indicators and individual KPI's in each service area:

Page 61

Customer satisfaction	Customer satisfaction with oneSource services
Savings achieved	Perform within budget
Council tax collection	Percentage of Council Tax collected (LBH only)
Non-domestic rates collection	Percentage of National Non-Domestic Rates (NNDR) collected

Future of oneSource

- oneSource has key role in delivering savings for all Councils
- Making oneSource's own services more efficient through technology
- Supporting the delivery of the Transformation Programme through ICT, HR, Procurement, Property, Finance etc
- Generating more income through growing the Councils who part of oneSource or developing new customers
- Continuing to improve services and satisfaction and supporting delivery of front-line services

Strategic Priorities 2018/19

- Recommendation is to retain oneSource as a shared service governed via a Joint Committee rather than create a separate legal entity
- Range of reasons including strategy, policy, finance, market conditions, oneSource capacity
- Important to embed oneSource more into the respective Councils while having an enhanced “commissioning relationship” to drive improvement
- Focus to be on improving service quality, delivering savings and supporting the Transformation Agendas of the Councils

Page 63

Any questions?

Customer Satisfaction Spring 2018 Executive Summary

Introduction

107 senior managers took part (36 from LBN, 18 from LBH, 30 from LBB and 23 from oneSource). This compares to a previous response of 98 senior managers in Autumn 2017. The overall response rate across the organisations is 32.3%

The principle focus of the survey was to understand customers:

- Overall satisfaction with the service they received;
- Satisfaction with the amount of resources / level of support received;
- Satisfaction with the quality of support provided; and
- Satisfaction with the speed at which the support was provided.

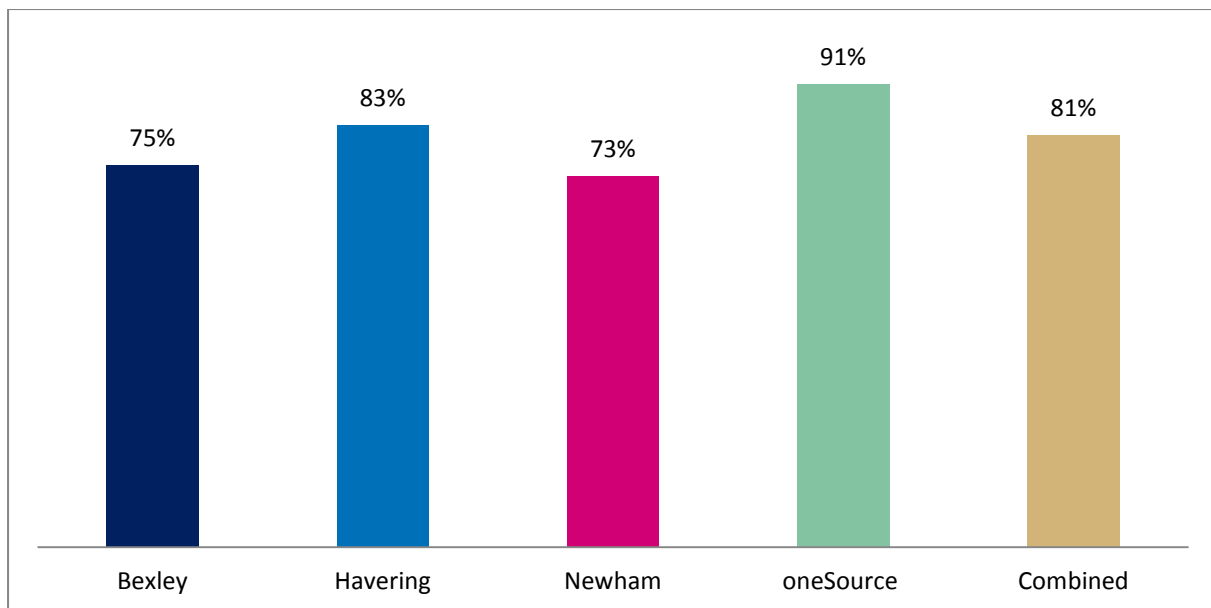
The Programme Management Office is no longer reported as the service is no longer provided by oneSource. Only Newham and oneSource provided feedback regarding Projects and Programme, whilst only Havering and oneSource provided feedback on Technical Services. Bexley Council provided feedback only on Strategic and Operational Finance, Internal Audit and Transactional Finance as these are the only services that they utilise from oneSource.

Exchequer and Transactional Finance has been split into the following respective services, for performance to be assessed individually, Payroll, Accounts Receivable and Accounts Payable, Enforcement, Pensions and People Establishment. An overall HR Transactional figure has been calculated to provide a comparative figure to previous surveys, this will encompass results from Payroll, Pensions and People Establishment. The same will be applied to Finance Transactional which will include figures from Enforcement, Accounts Receivable and Accounts Payable.

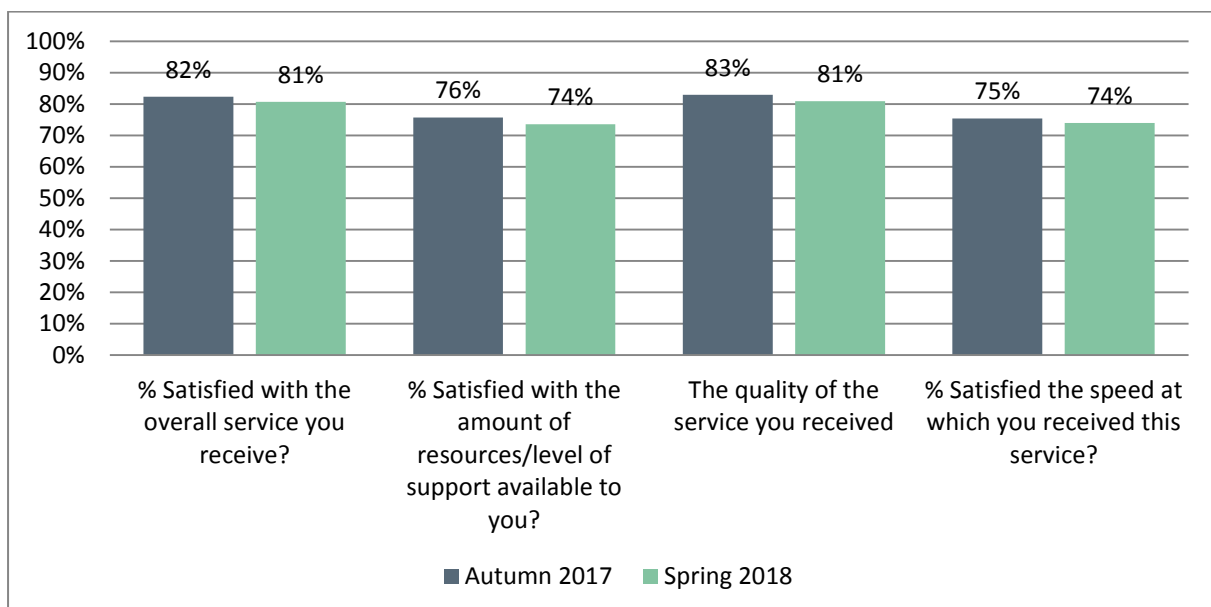
Overall Satisfaction

The overall satisfaction for oneSource services (combining the four organisations) is 81%, decreasing marginally by 1% from that found in the Autumn 2017 survey, where 82% of customers were satisfied with the service they received. This is the second time that oneSource has exceeded the 80% target set by the Joint Committee, since the organisation's inception.

Individually, customer satisfaction with the service received is 83% from Havering Council, 73% from Newham Council, 75% from Bexley Council and 91% from oneSource. Customer satisfaction has increased for oneSource and Bexley, with satisfaction in oneSource exceeding the target. Satisfaction within Havering dropped slightly by 5% but overall satisfaction still exceeds the target. There was a decrease in satisfaction within Newham, with overall satisfaction dropping by 8%.



Customer satisfaction has decreased marginally across all four indicators since Autumn 2017.



Services meeting target

1. Overall

Of the nineteen services surveyed, the number of services meeting or exceeding the 80% target decreased from fourteen to ten. The ten best performing services were Facilities Management (86%), Projects and Programmes (80%), Technical Services (100%), Legal and Governance (93%), ICT (87%), Health and Safety (95%), Printing Services (97%), Procurement (86%), Internal Audit and Counter Fraud (88%) and Accounts Receivable (85%). Aggregated results for Transactional Finance (81%) results show also the target was met.

2. oneSource

In oneSource, the top performing services were HROD (100%), Strategic Finance (87%), Procurement (92%), Facilities Management (85%), Property Services (80%), projects and Programmes (100%), Health and Safety (100%), Legal Services (92%), Printing Services (100%) and Internal Audit (100%), Payroll (88%), Pensions (100%), People Establishment (93%), Accounts Receivable (100%) and Accounts Payable (87.5%). Aggregated HR Transactional (93%) and Finance Transactional (88%) show that both exceeded the target.

3. Newham

For Newham, the top performing services were Internal Audit and Counter Fraud (100%), Procurement (87%), Health and Safety (100%), Legal and Governance (90%), Printing Services (92%), Business Improvement (80%), Facilities Management (86%).

4. Havering

In Havering, there were ten top performing services and all exceeded the target. The top performing services were Strategic Finance (83%), Internal Audit (100%), Property Services (100%), Technical Services (100%), Legal and Governance (100%), ICT (94%), Facilities Management (91%), Health and Safety (91%), Enforcement (100%) and Accounts Receivable (100%). Aggregated Finance Transactional (86%) show that it exceeded the target.

5. Bexley

Within Bexley, three services exceeded the 80% target. This includes Accounts Payable (80%), Accounts Receivable (85%) and Enforcement (100%); with the aggregated Finance Transactional (85%) figure also exceeding the target.

Survey Highlights

Across the oneSource services surveyed:

- Satisfaction with Property Services has continued to increase, with the service close to the target set by the Joint Committee. The service has the most significant increase in satisfaction, rising by 18% in overall and 33% in satisfaction with resources.
- The top performing service is Technical Services which had a 100% overall customer satisfaction though was the lowest performing service for satisfaction with speed.
- For Bexley, Internal Audit had the most significant increase with 33% in overall satisfaction and 50% in satisfaction with quality.
- HROD had the most significant decrease in Newham with satisfaction dropping by approximately 35% across all four indicators.
- Within oneSource, HR Transactional had the most significant increase with an average 37% in all four indicators.
- Given the increase in satisfaction by oneSource and that this may unfairly skew the picture, overall satisfaction without oneSource is 77% (marginally below the target).

- Individually, the highest performing service in partner councils is Enforcement in Bexley (100%) and Health and Safety in Newham (100%). For Havering and oneSource, internal audit and printing services (100%) with Legal in LBH.
- Individually, the lowest performing service in partner councils is Strategic Finance in Bexley (58%), HR Transactional in Havering (65%), HROD in Newham (53%) and Business Improvement in oneSource (57%)

Satisfaction for HROD is particularly affected by lower than expected scores from Newham Council, where satisfaction was roughly 50% compared to Havering (70% range) and oneSource (90% range). The predominant factors for the lower than expected satisfaction in HROD is the lack of resources available to support managers, which is recognised by those completing the survey and also concern at the speed in which support is provided. There appears to be some confusion regarding the recruitment process belonging to HROD and this may play in part of the decreased satisfaction; an additional factor which may have affected feedback are the recruitment controls implemented by Newham's SLT on 1st May 2017, which have, by design, built delays into the recruitment process in some areas. Another issue appears to be the advice provided is contingent on the officer helping and that there appears to be a lack of proactive action amongst staff. HROD are currently reviewing the comments to devise an action plan to address the issues that may be affecting satisfaction levels. There are a number of actions which will be taken in response to this – some are 'quick wins'.

The full report for Customer Satisfaction will be provided at the next Joint Committee in October. This will provide further details on reasons for areas of lower performance and comments from respondents on their experience of services. Directors of the respective areas will be devising action plans in response to the issues raised.

	HR Transaction al	HRO D	Finance Transactio nal	Strategic Finance	Procure ment	Internal Audit	Facilities Mgmt.	Property Service	Projects and Programmes	Technic al Services	H&S	Legal Service	ICT	Printing Service	Business Improveme nt	Payroll	Pension	People Establishme nt	Enforc ement	Account Receivable	Account s Payable	Total
OVERALL																						
% Satisfied with the overall service you receive?	72%	71%	81%	75%	86%	88%	87%	75%	80%	100%	95%	93%	87 %	97%	62%	73%	75%	69%	78%	85%	77%	81%
% Satisfied with the amount of resources/le vel of support available to you?	69%	56%	74%	60%	74%	83%	83%	69%	80%	67%	86%	78%	88 %	97%	54%	71%	75%	63%	72%	74%	74%	74%
The quality of the service you received	70%	74%	81%	75%	80%	92%	91%	69%	80%	67%	90%	93%	91 %	97%	62%	73%	71%	67%	83%	80%	79%	81%
% Satisfied the speed at which you received this service?	68%	60%	77%	62%	80%	79%	85%	56%	80%	33%	81%	80%	88 %	97%	46%	69%	71%	65%	78%	76%	77%	74%

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